

HJ

2413

A7

1908

UC-NRLF



\$B 47 114

LIBRARY
OF THE
UNIVERSITY OF CALIFORNIA.

GIFT OF

Mass. Commission on Taxation

Class

DOCUMENTS
DEPT.

AUG 2 1900

REPORT

OF THE

COMMISSION ON TAXATION,

APPOINTED UNDER THE PROVISIONS OF CHAPTER 129
OF THE RESOLVES OF 1907,

TO INVESTIGATE THE SUBJECT OF TAXATION AND
TO CODIFY, REVISE AND AMEND THE
LAWS RELATING THERETO.

JANUARY, 1908.

329
N 4/4
1908

BOSTON:
WRIGHT & POTTER PRINTING CO., STATE PRINTERS,
18 POST OFFICE SQUARE.
1908.

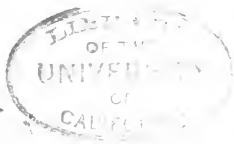
Digitized by the Internet Archive
in 2007 with funding from
Microsoft Corporation

REPORT
OF THE
Massachusetts
COMMISSION ON TAXATION,

APPOINTED UNDER THE PROVISIONS OF CHAPTER 129
OF THE RESOLVES OF 1907,

TO INVESTIGATE THE SUBJECT OF TAXATION AND
TO CODIFY, REVISE AND AMEND THE
LAWS RELATING THERETO.

JANUARY, 1908.



BOSTON:
WRIGHT & POTTER PRINTING CO., STATE PRINTERS,
18 POST OFFICE SQUARE.
1908.

HJ 2413
.A7
1908

DOCUMENTS
DEPT.



CONTENTS.

PART I. :—		PAGE
Letter of Transmission,		5
Commission on Taxation,		6
Resolve providing for the Appointment of the Commission,		7
Report of the Commission :—		
I. Introductory Statement,		9
II. The Distribution of the Corporate Franchise Taxes of Railroad, Telephone and Telegraph Companies,		12
III. Distribution of the Franchise Taxes paid by Domestic Business Corporations,		13
IV. Returns by Foreign Corporations,		21
V. Taxation of Intangible Property,		22
VI. Supervision of the Assessment of Property, for Taxation,		73
VII. The Compensation of Assessors,		74
VIII. Exemption of County and Municipal Bonds from Taxation,		75
IX. Municipal Taxation and Finance,		76
X. Tax on Transfers of Stock,		78
XI. Taxation of the Property of Educational Institutions,		79
XII. Codification and Revision of the Laws relating to Taxation,		79
Appendices :—		
A. An Act relating to Certain Corporate Franchise Taxes,		83
B. An Act relative to the Distribution of the Franchise Tax of Business Corporations,		83
C. An Act relative to Certificates and Returns of Foreign Corporations,		84
D. An Act establishing a Uniform Tax on Certain Classes of Personal Property,		85
E. An Act to provide for the More Effective Administration of Laws relating to Taxation,		93
F. An Act relative to the Powers of the Tax Commissioner,		95
G. An Act relative to the Compensation of Assessors,		95
H. An Act to exempt from Taxation Future Issues of Municipal and County Bonds,		96
I. Table showing the Distribution of Railroad, Telephone and Telegraph Taxes; also, the Apportionment of the State Tax for 1907 to Each City and Town,		96
J. Table showing the Distribution of the Entire Corporate Franchise Tax of 1907,		103
K. Table showing the Amount of Corporate Franchise Tax paid by Business Corporations in Certain Cities and Towns, together with the Amount of Such Tax returned to the Same Cities and Towns,		107
L. Statistics of Municipal Debts and Taxes,		110
PART II. :—		
Codification of Laws relating to Taxation,		113

Commonwealth of Massachusetts.

BOSTON, Jan. 8, 1908.

To the Great and General Court.

In accordance with the provisions of chapter 129 of the Resolves of 1907, we have the honor to transmit the following report of the Commission on Taxation.

COMMISSION ON TAXATION.

SENATE MEMBERS.

Hon. GUY W. COX of Boston, *Chairman*.

Hon. WILLIAM J. BULLOCK of New Bedford.

HOUSE MEMBERS.

Rep. CHARLES V. BLANCHARD of Somerville.

Rep. SAMUEL H. MILDRAH of Boston.

Rep. CLARENCE J. FOGG of Newburyport.

Rep. RICHARD S. TEELING of Boston.

MEMBERS APPOINTED BY THE GOVERNOR.

CHARLES J. BULLOCK of Cambridge.

BERNARD EARLY of Newton.

H. HUESTIS NEWTON of Everett.

HENRY S. AMES, *Secretary*.

RESOLVE TO PROVIDE FOR A REVISION OF THE LAWS RELATIVE TO TAXATION.

Resolved, That a commission, to be called the commission on taxation, shall investigate the whole subject of taxation in this Commonwealth, including state, county and municipal taxes, and shall codify, revise and amend the laws relating thereto, and shall report in print to the general court on or before the first day of December, in the year nineteen hundred and seven, with such recommendations for legislation as it may deem expedient. The commission shall have a room in the state house assigned for its use; is authorized to employ such assistance, clerical or otherwise, as it may require; and shall receive such sums for its compensation and such amounts for its expenses, travelling and otherwise, necessarily incurred, as shall be allowed by the governor and council. It shall give such public hearings as it deems necessary. The commission shall be constituted as follows: two members of the present senate to be appointed by the president of the senate; four members of the present house of representatives to be appointed by the speaker of the house; and three persons, experts on the subject of taxation, who shall be appointed by the governor. The report of said commission shall be printed by the Commonwealth, and a copy thereof shall be mailed in the month of December, nineteen hundred and seven, to each person elected to the general court for the year nineteen hundred and eight. [*Approved June 28, 1907.*]



REPORT OF THE COMMISSION.

I. INTRODUCTORY STATEMENT.

The resolve providing for the appointment of the commission gave it broader powers and scope than were ever given to other committees or commissions created for similar work, and at the same time required the work to be completed in a shorter time. The committee of last year stated that the time at its disposal was too short for any committee of any Legislature to study comprehensively the problems of taxation, yet its time was almost double that given to this commission.

Under the circumstances, it was necessary to adopt a plan of procedure calculated to be most effective in results within the given time; and after a general hearing, it was determined to confine the work chiefly to a few important questions of policy affecting methods of taxation, and to leave details both of system and administration to the usual legislative action. We believe this method of procedure should be followed in any attempt to improve permanently the general system of taxation in Massachusetts. The problem is not primarily one of revenue, for under almost any system of taxation sufficient revenue can be raised to carry on the functions of government in our Commonwealth; it is not one of rate alone, for, if the system be good, it is simply a matter of balance of revenue and expenditure; it is not one of economic theories alone, for we must deal with an actual workable system, which is the product of history and environment, — factors which cannot be ignored.

The taxation system of Massachusetts proceeds from two constitutional sources: one being the authority to impose and levy proportional and reasonable assessments,

rates and taxes upon all the inhabitants of, and persons resident, and estates lying, within our Commonwealth; and the other being the authority to impose and levy reasonable duties and excises upon any produce, goods, wares, merchandise and commodities whatsoever brought into, produced, manufactured or being within the Commonwealth. (Constitution of Massachusetts, Part II., chapter I., section 1, article 4.) From the latter source arise the inheritance tax and the corporation taxes. Inasmuch as our direct inheritance tax law was enacted only last June, we have passed over the matter of inheritance taxes, in the belief that experience rather than investigation is now important in this direction.

We have investigated the general corporation tax as thoroughly as time has permitted, and have concluded to report only on the distribution thereof. This particular tax, however, is a matter that may well be made the subject of further investigation, especially in view of the large increase in the number of mercantile corporations, which were comparatively few in number when the law was passed. In this connection we find that under our system of measuring and taxing the value of corporate franchises, certain business concerns, which paid in Boston a tax on personal property valued at over \$15,000,000 when doing business as co-partnerships, have incorporated within the last ten years, and, while carrying on the same business and presumably employing a larger amount of personal property in that business, now pay no local tax on such property, and at the same time pay no equivalent tax to the Commonwealth. This is due to the fact that corporations having no machinery pay no local tax on personal property, and the Tax Commissioner, relying upon the returns of such corporations as a basis, found that the corporate excess, upon which alone the franchise tax is imposed, was very much less than the value of the merchandise and other personal property which was receiving municipal protection and was formerly subject to local taxation. This question, however,

is so intimately connected with the general policy of the State in the fostering of its business corporations that we have concluded that it may be considered more properly in connection with that general question.

From the first constitutional source arises the general property tax. The constitutional limitation is that this tax shall be "proportional and reasonable." As applied to-day, we find that a large part of the tax imposed under this authority is either disproportional to any equitable standard, or is unreasonable. The reasons for this are in brief as follows:—

First.—The effort is made to tax all intangible property at the same rate as tangible property.

The commission of 1897 recommended the abolition of taxes on intangibles; the committee of 1906 commented at length upon the unreasonableness of the tax; and four members in two supplemental reports recommended that such taxes be abolished. We believe this matter is the one pressing question in our taxation system, and that before any progress can be made in improving that system, the question of dealing with intangibles must be solved. We therefore report at length the results of our investigation and study of this question, and our recommendations arising therefrom.

Second.—Taxpayers in our various municipalities are subject to widely varying rates of taxation not necessarily proportional to the benefits received by them.

No doubt this is caused to a considerable degree by the operation of the first reason, as is shown in our report on that matter. However, it is clear that in a large measure this inequality results directly from our method of distributing our corporation taxes. Therefore, we report in detail our recommendation as to the future distribution of such taxes.

Any system of taxation must depend for success upon the zeal and faithfulness of the agents who administer the system. On the whole, it can be said of the tax officials of our Commonwealth that their work shows "zealous and

faithful performance of duty." We suggest, however, certain changes in the machinery of administration which we believe will result in increased efficiency.

From the great number of questions presented to the commission, a few miscellaneous suggestions have been made, involving no matter about which difference of opinion may be expected.

The work of revision and codification required much care and time. The language of our authority, "to codify, revise and amend," we have not construed to confer any law-making power; and any verbal or other change made necessary by codification, or otherwise, is simply to express clearly the intent of the law.

We desire to express our deep appreciation of the uniform courtesy extended to us by the entire executive department of the Commonwealth. Naturally, the Tax Commissioner has been consulted more frequently than other department officials; but all have been willing to assist us, and have done so. To the Governor and Council we especially express our appreciation of their attention and interest in our work. Our secretary, Henry S. Ames, brought to his work large knowledge of the laws relating to taxation, and much experience in framing such laws and in the investigation of taxation problems; and we desire to express our appreciation of his painstaking and careful work on the codification, as well as on all matters which we have considered.

II. DISTRIBUTION OF THE CORPORATE FRANCHISE TAXES OF RAILROAD, TELEPHONE AND TELEGRAPH COMPANIES.

For over ten years the distribution of the taxes levied on the franchises of domestic corporations has been the subject of discussion. The Tax Commission of 1897 pointed out that a very large proportion of these taxes was distributed to a small number of towns in which large amounts of personal property had accumulated, and recommended that the Commonwealth should retain the entire proceeds of the tax on corporate franchises, and

apply the same to the payment of county expenses. At intervals since that date various proposals have been made to the Legislature relative to this subject, and it has come to be generally recognized that the present distribution of the corporate franchise tax is both illogical and unfair.

The Joint Special Committee on Taxation, appointed in accordance with an order of the General Court of 1906, recommended a year ago that the Commonwealth should retain the entire corporate franchise taxes of railroad, telephone and telegraph companies. In support of this recommendation, that committee submitted a strong statement showing the evils that have arisen from the existing method of distribution; and the present commission feels that little can be added to this presentation of the case.

We submit as an Appendix to our report a table showing the amounts received by each city and town in the Commonwealth from the taxes assessed on the franchises of railroad, telephone and telegraph companies, as well as a table showing the amount paid by each city and town as its proportion of the State tax in the year 1907; also, a table showing the distribution to cities and towns of the entire corporate franchise tax. These figures, we believe, offer convincing proof of the inequality of the present distribution of the franchise taxes on these classes of corporations, and show that a majority of the cities and towns would benefit greatly if the Commonwealth retained the entire proceeds of the above taxes, and applied the same to a reduction of the State tax.

The commission renews, therefore, the recommendation of the Joint Special Committee of 1906, that the corporate franchise taxes of railroad, telephone and telegraph companies be retained by the Commonwealth, and submits a bill in accordance with this recommendation.

III. DISTRIBUTION OF THE FRANCHISE TAXES PAID BY DOMESTIC BUSINESS CORPORATIONS.

The opinion is now quite generally held that no part of the franchise tax paid by railroad, telephone and telegraph companies should be distributed to the cities and

towns where stockholders happen to reside; and this commission recommends, as other commissions and committees have before recommended, that all of this tax be retained by the Commonwealth. The retention by the Commonwealth of this tax is, in effect, a distribution among all cities and towns in proportion to valuation. Such distribution is justified, because such corporations are of no one city or town.

Our people have recognized, however, that some additional tax, not to be taken by the Commonwealth, not to be shared by any other city or town, should be given to those cities and towns which bear additional burdens by reason of the operation of street railways in their public ways. This tax is in addition to the local tax on "works, structures, real estate and machinery," and is known as the street railway commutation tax. (St. 1906, c. 463, Part III., §§ 133-136.)

We do not think it necessary to resort to statistics to convince the people that for a city or town to construct streets and light them, to furnish water, sewers, schools and public buildings, and to provide police and fire protection for business and manufacturing corporations, their employees and the families of such employees, are local burdens relatively greater than those occasioned by the operation of a street railway in the public ways of a city or town.

The peculiar burdens of our manufacturing communities are well known. Operatives, perhaps from a foreign country, with many children to be educated and fitted for citizenship, crowded into tenements, require the highest municipal care for fire and police protection, for sanitary conditions and for education. A single family, occupying a fine estate in a residential community, actually requires little municipal care. The tenement house may be of small value in comparison with the value of such estate, yet the tax on the value of the tenement property is all that the operatives may be said to contribute in taxes, and this through the owner of the tenement property;

while the value of the fine estate usually represents but a part of the taxable property of the single family.

To meet such conditions, we do not think it wise to impose additional taxes upon manufacturing corporations. The prosperity of Massachusetts depends largely upon the success of these corporations; and a reduction in their taxes, rather than an increase, is desirable, especially in view of the ever-increasing competition with like corporations of other States, the advancing standard of our labor laws, already higher than elsewhere, and the present taxes, now heavier than those imposed by any other State on manufacturing corporations.

At the present time the franchise tax levied upon these corporations is distributed to the cities and towns where the stockholders happen to reside, except that the Commonwealth retains such portion as is represented by shares of stock owned by residents of other States.

So long as the stockholders resided in the city or town where the business was carried on, and which bore all the municipal burdens imposed by that business, no injustice resulted from the present method of distribution. The method, however, was none the less unfair, although for a time, by reason of this accident of residence, its operation was confined to just limits.

It is not necessary for our purpose to state the cause, to trace its growth or to speculate upon its continuance; but the fact now confronts us that a large number of the stockholders of such corporations, and in many instances a large majority of such stockholders, do not reside where the business of the corporation is carried on, and where the public burdens resulting therefrom are imposed.

The following tables offer ample evidence in support of this statement, and at the same time indicate the inequitable results arising from this method of distribution: —

Table A.

CITY OR TOWN.	Amount of Corporate Franchise Tax (Exclusive of Railroad, Telephone and Telegraph Companies), distributed locally.	Franchise Taxes paid by Corporations (Other than Railroad, Telephone and Telegraph).	Tax Rate per \$1000, 1906.
Brookline, . . .	\$146,030 50	\$852 25	\$9 00
Lawrence, . . .	19,777 12	172,105 92	16 00
Manchester, . . .	27,423 42	-	8 60
New Bedford, . . .	57,194 55	104,642 46	18 40
Newton, . . .	95,261 29	5,485 44	16 40
Fall River, . . .	56,870 64	102,917 57	18 40
Falmouth, . . .	15,282 72	-	11 90
Lowell, . . .	36,263 04	77,203 38	19 60
Milton, . . .	49,263 85	1,975 00	11 50

Table B.

CITY OR TOWN.	Corporate Franchise Tax (Exclusive of Railroad, Telephone and Telegraph Companies), distributed locally.	Franchise Taxes paid by Corporations (Other than Railroad, Telephone and Telegraph).	Tax Rate per \$1,000, 1906.
Wellesley, . . .	\$11,439 46	\$544 21	\$11 00
Lancaster, . . .	5,678 04	-	11 40
Nahant, . . .	12,259 55	-	9 00
Weston, . . .	16,356 40	994 55	9 00
Boston, . . .	615,235 48	1,555,602 57	15 90

It appears from Table A that one city and four towns, with an average tax rate of \$11.79 per \$1,000, received from franchise taxes paid by business and manufacturing corporations doing business elsewhere \$324,949.09 more than was paid by such corporations doing business in said city and towns; and four cities, with an average tax rate of \$18.31 per \$1,000, received \$286,753.98 less than the amount of franchise taxes paid by such corporations doing business therein.

The following tables give a specific comparison between the present method of distribution and distribution if made to the city or town where the business is carried on, all other conditions remaining the same:—

Present Distribution.

CITY OR TOWN.	Total Valuation of Assessed Estate.	Total Tax, less Polls.	Tax Rate per \$1,000.
Lawrence, . . .	\$51,044,934 00	\$816,704 00	\$16 00
Brookline, . . .	93,282,300 00	839,541 00	9 00

Under Distribution to Cities and Towns where Business is carried on.

CITY OR TOWN.	Total Valuation of Assessed Estate.	Total Tax, less Polls necessary to produce Same Revenue.	Tax Rate per \$1,000.
Lawrence, . . .	\$51,044,934 00	\$564,376 00	\$13 01
Brookline, . . .	93,282,300 00	985,519 00	10 57

From these tables it will be seen that if these taxes had been distributed to the cities and towns where the business was carried on, the tax rate of Lawrence in 1906 would have been \$3 per \$1,000 lower, all other things remaining equal, and the tax rate in Brookline \$1.57 per \$1,000 higher than was actually the case. In a similar way, it may be shown that the tax rate of New Bedford would have been almost \$1 lower, of Manchester \$2.41 higher, of Boston \$0.75 lower, and of Weston \$2.16 higher.

We have examined the figures of large groups of cities and towns which we submit herewith, and we find the invariable result to be that industrial centers lose and residential centers gain from the present method of distribution. Of course figures can be given for each city and town, and corresponding computations made, but this we believe to be unnecessary, as the computations already cited prove that the present method of distribution is absolutely unfair in principle. One way of stating its operation is to say that the local community can derive a compensatory tax from its corporate industries only when they are incorporated elsewhere than in Massachusetts; for the foreign corporation pays a local tax on ma-

terials and merchandise, which the domestic corporation does not. It is not strange that representatives of domestic corporations have complained to us that local authorities are favoring foreign corporations. Another way of stating its operation is to say that by it the Commonwealth, acting as an intermediary, authorizes certain municipalities to collect a tax on the industries of other municipalities. No logical reason can be given for such a condition.

✓ In the recent case of *Union Refrigerator Transit Company v. Kentucky*, 199 U. S. 195, the court said: "The power of taxation, indispensable to the very existence of the civil government, is exercised upon the assumption of an equivalent rendered to the taxpayer in the protection of his person and property, in adding to the value of such property, or in the creation and maintenance of public conveniences in which he shares; such, for instance, as roads, bridges, sidewalks, pavements, and schools for the education of his children. If the taxing power be in no position to render these services, or otherwise to benefit the person or property taxed, and such property be wholly within the taxing power of another State, to which it may be said to owe an allegiance and to which it looks for protection, the taxation of such property within the domicile of the owner partakes rather of the nature of an extortion than a tax, and has been repeatedly held by this court to be beyond the power of the Legislature, and a taking of property without due process of law."

It cannot be said that Brookline or Manchester renders any such services to the mills of Lawrence; and while, undoubtedly, it is due process of law for the Commonwealth to permit Brookline and Manchester, in effect, to tax these mills, this is none the less in result "rather of the nature of an extortion than a tax."

The Governor has called attention to the wrongs incident to this unreasonable condition. And the Joint Special Committee on Taxation of 1906, when discussing its proposal for the Commonwealth to retain all the corporate franchise taxes of railroad, telephone and telegraph

companies, said: "Strict reasoning and complete equity demand that all the corporate franchise taxes should be retained by the Commonwealth, or should be distributed on some basis other than that of the residence of stockholders;" and, further: "The result is (under present distribution), that many communities receive taxes for which they give no return in the form of services rendered."

The tables herewith submitted prove this statement to be absolutely correct.

The committee of 1906 attempted to divide business corporations into two classes, one to be known as manufacturing, and the other as mercantile; and proposed a new tax upon mercantile corporations, to be distributed to the cities and towns where the business was carried on, or where the property of the corporation was situated.

The proposition signally failed, because of the attempt at additional taxation; but no one appeared before the Legislature who denied that the tax, if imposed, should be distributed to the city or town which gave municipal protection to the property taxed. Moreover, Boston was the only community which would have been substantially benefited by that measure; and it is certain, as appears from an examination of returns, that the injustice occasioned from the distribution of the taxes of so-called mercantile corporations is of no moment in comparison with the injustice resulting from the distribution of the taxes of manufacturing corporations.

Without going into the question of whether it is more desirable to have a higher tax rate in business than in residential centers; of whether the public schools of the mill centers shall be as well taken care of as the public schools of the residential centers; of whether the mills might save in taxes in one place an amount equal to a saving from a cut in wages, or an amount equal to an increase in wages, in another place; of what advantage it might be to mill centers to have their revenue increased, — it is within our province to say that, if taxation is to be reasonable and proportional between all the inhabitants

of the Commonwealth, as provided in our Constitution, there appears to be no more certain way of equalizing the rates between many centers than by distributing the tax levied upon business and manufacturing corporations among the cities and towns where the business is carried on.

In this connection it is well to remember that the proposal for a uniform tax on intangible property, while it will be helpful to all communities in proportion to such property therein located, may not be so helpful in the aggregate to industrial centers, where comparatively little of such property is held, as to certain residential centers, where such property is held in large amounts. The time, therefore, is favorable to take the necessary steps to insure a more equitable distribution of the franchise tax among the cities and towns.

We all agree that some change should be made, but it has been impossible to arrive at a unanimous conclusion as to the most desirable change. Some members suggest that the Commonwealth should retain all the tax, which would undoubtedly result in the elimination of the direct State tax; and others that the Commonwealth retain all the tax, and assume all county expenses. The Commonwealth might be justified in retaining this tax, as it grants the franchise, assumes the general care of the corporation and collects the tax.

However, the majority of the commission, while recognizing that nothing can be said in favor of the present system of distribution except that it exists, agree that certain conditions have arisen which must be taken into account before too sweeping changes are made; and therefore recommend that the Commonwealth retain, as at present, the portion of the tax represented by stock owned outside the State; that one-half of the remainder be distributed as at present, and the other half be given to the cities and towns where the business is carried on. Such distribution will not affect the amount of the franchise tax, but the corporations may save something in local taxa-

tion, or the communities in which they do business may receive a larger revenue without increasing their tax rate.

We believe that this is a step in the right direction, and at the same time conservative enough to allow any communities adversely affected to adjust themselves to it. The plan does not in any way change the distribution of the bank tax or the street railway "commutation" tax.

Whatever may be the result, substantial justice should be done; and we see no reason why the Commonwealth should indefinitely continue to hand over taxes constantly increasing in amount to favored communities which render no equivalent in services.

IV. RETURNS BY FOREIGN CORPORATIONS.

It has been brought to the attention of the commission that foreign corporations having property in this Commonwealth subject to local taxation are, by our laws relating to returns, placed upon a different footing than domestic corporations; in that, while the latter are obliged to make a full return to the Tax Commissioner of all their property, and to pay a tax thereon, either at the State or local rate, the former are exempt from making such a return. This results to the advantage of the foreign corporation in the matter of local taxation, as by not filing a list of property with the local assessors it merely pays the tax for which it is doomed, and the assessors have no means of finding out the real value of its personal property.

We therefore recommend an amendment to section sixty-six of chapter 437 of the Acts of 1903, by adding at the end thereof the following: "Every foreign corporation which has property within the Commonwealth subject to taxation under the laws thereof shall annually, between the first and tenth day of May, prepare and file in the office of the tax commissioner a return in such form as the tax commissioner may prescribe, signed and sworn to by its president, treasurer, and by a majority of its board of directors, showing in detail all its property, real and personal, subject to local taxation within the Common-

wealth on the said first day of May, and of the location and value thereof."

The present law requires the owner of property within the Commonwealth, whether individual or corporation, to file a list of such property, or submit to an estimate of value by the assessors; the amendment suggested will compel a foreign corporation to file, under oath, a statement of its property within the Commonwealth in the same way it now makes a return of its financial condition, and in the same way a domestic corporation files a certificate of its property within the Commonwealth. This will enable assessors to get at the true value of all property subject to local taxation.

V. TAXATION OF INTANGIBLE PROPERTY.

From earliest times the principal tax employed in Massachusetts has been the general property tax. Its characteristic feature is that it is intended to reach all kinds of property, both real and personal, and to tax them at the same rate. At various times the Legislature has seen fit to grant certain exemptions; and during the last half-century deposits in savings banks, the shares of national banks, and shares of Massachusetts corporations, have been taxed indirectly through excises levied on the corporations themselves, so that they are no longer taxable to the individual depositors or shareholders. Yet, despite these changes, the greater part of our revenue is derived from an assessment upon the general mass of property subject to the jurisdiction of the Commonwealth.

This method of taxation is frequently described as peculiarly American and democratic, and it is supposed to be a method which, if fully carried out, would oblige every man to contribute to the support of public charges in proportion to his ability to pay. But, as a matter of fact, the system is neither distinctively American nor democratic; and it is admitted that, however excellent the intent of the law, the practical result has never been that all citizens do contribute in proportion to their ability to bear the charges of government.

The general property tax was once in nearly universal use in Europe, and was brought to Massachusetts by the early settlers, who merely introduced here a system with which they had been familiar in the country from which they came. In England, as in most other countries of Europe, the principal form of direct taxation had long been a general levy upon property. In the seventeenth century this tax was known as the subsidy, and in practical operation produced the same results as followed its introduction in the New World. Personal property always managed to escape taxation in whole or in part, so that complaints about the inequality and injustice of the system were almost as common as they are in Massachusetts in our own time. In 1592 one writer stated that not more than five men in London were assessed upon goods exceeding £200, and in 1601 Sir Walter Raleigh complained that "The poor man pays as much as the rich." About the middle of the seventeenth century the subsidy became so unsatisfactory that it was replaced by a new tax, known as the monthly assessment, which was, however, but the same thing under another name. The immediate result of the change was a somewhat more complete assessment of property; but before long personalty began to evade taxation, as before; so that in 1692 the monthly assessment was abolished, and replaced by a new tax designed to reach the true yearly value of all lands, tenements, offices and personal estates. This new tax was but another property tax in a somewhat different form, and it soon fared as badly as its predecessors. During the eighteenth century personal property disappeared from the assessment rolls as rapidly as ever before, so that by 1798 over nine-tenths of the levy fell upon real estate, and less than one-tenth upon offices and personal estate. By this time, in fact, the tax had generally come to be known as the "land tax." In some towns, we are told, the whole tax was assessed upon land and houses, and personal estates wholly escaped.

In 1798 an act was passed by which the land tax became virtually a fixed charge upon the land, and since that

time no further attempt has been made in England to levy a general property tax. The national revenues are now derived from an income tax, taxes on inheritances and the usual indirect taxes; while local revenues are drawn chiefly from a tax levied upon occupiers of land, houses and trade premises.

And in most of the other countries of Europe the result has been the same. In nearly all of them the general property tax has been tried and found wanting, and to-day it is employed as a principal source of revenue only in the cantons of Switzerland, where, however, it is usually supplemented by taxes on income. In Holland property is still taxed, but at a moderate rate and conjointly with a tax upon income. In Prussia and some other German States a very light property tax is imposed, supplementary to a general tax upon income; but the rate is exceedingly low, — in Prussia only $\frac{1}{20}$ th of 1 per cent., — so that the tax is neither an appreciable burden upon taxpayers nor an important source of revenue. It appears, therefore, that the general property tax is not an American invention, but a form of taxation once common in Europe, and now almost obsolete. Modern tax systems are based upon the principle that it is necessary to discriminate between various classes of property and business, and to employ different methods and rates of taxation in dealing with them. Our American States and some of the Swiss cantons stand substantially alone in their effort to draw revenue from a general assessment upon all classes of property at a uniform rate.

It is equally erroneous to call the general property tax a democratic form of taxation. It is not found in such ultra-democratic communities as the Australasian States; nor, with the exception of Switzerland, is it found in those countries of Europe in which democratic ideas have taken deepest root. It was brought to America from England in the seventeenth century, when democracy existed neither in the mother country nor the colonies, and has been fastened upon us rather by historical accident than because of its inherently democratic qualities.

The experience of our American States with the general property tax has been at all points similar to the experience of Europe. From earliest times to the present there has been nothing but a succession of complaints that personal property, particularly property of an intangible character, has escaped its fair share of the burden of taxation. In our own State, as in others, the tax laws are full of evidence to this effect, and during the last fifty years a mass of statistics has been collected which now places the matter beyond possible doubt. Many if not most of our States have appointed commissions to study the operation of their tax laws and devise methods of improving them. The reports of these commissions show wide divergence of opinion concerning the remedies to be adopted, but they are substantially unanimous upon one point, — that in the taxation of personal property the general property tax has been a dismal failure.

Before considering the conditions in Massachusetts, it is desirable to refer briefly to the experience of other States.

The first fact to which attention should be called is that under the existing system personal property tends to form a constantly decreasing proportion of the total property assessed for taxation. It is generally admitted that under modern conditions the amount of personal property in existence always equals and frequently exceeds the amount of real property. In a State like Massachusetts or New York, some would have it that the amount of personal property is two or three times as large as the amount of real property; whatever the exact proportion may be, it is certain that it cannot be less than, and probably greatly exceeds, the amount of real property. During the nineteenth century it is certain that the increase of personal property was particularly rapid; yet the statistics covering this period show that this class of property has usually formed a decreasing proportion of the total assessment.

The United States census presents statistics which are of interest in this connection. In 1850 it appears that the

real property subject to taxation in all the States was assessed at \$3,899,000,000 and the personal property was assessed at \$2,125,000,000. In 1902, however, real property was assessed at \$26,415,000,000 and personal property at \$8,923,000,000. It will be observed that in 1902 the assessed value of real property was six or seven times as large as in 1850, while the assessed value of personal property was a little more than four times as large. These figures apply to the whole country; if we select data for those States in which the amount of personal property is probably greatest, the result is still more striking. In the State of New York, in the year 1850, real property was assessed at \$564,649,000 and personal property at \$150,720,000. In 1902 real property was assessed at \$5,297,000,000, while personalty was assessed at \$672,149,000. In other words, real property increased nearly tenfold during the half-century covered by the census figures, while the increase of personalty was but little more than fourfold. In 1850 nearly one-fourth of the total assessment fell upon personal property, and in 1902 a little more than one-eighth. If we turn from New York to California, we learn from a recent report of a special commission that in 1860 personal property constituted 46 per cent. of the property assessed for taxation, that in 1880 it constituted 26 per cent., and in 1905 but 17 per cent.

More serious than the widespread evasion of taxation which these figures indicate is the fact that the taxes actually collected from personal property fall upon the taxpayers without the slightest approach to equality and uniformity. Such tangible things as merchandise, machinery, live stock and personal effects can be found by the assessors, and taxed with some degree of success; but intangible property, consisting of money, credits and securities, can be readily concealed, and eludes the most vigilant search. The laws of the various States provide more or less rigorous and inquisitorial methods of reaching personal estates; but the execution of these laws is entrusted to local assessors, who are controlled politically by the very persons whom they are expected to assess. The result is

that strict enforcement of the law is seldom tolerated, and the assessment of intangible property is in the highest degree unequal and uncertain.

The situation is made worse by the fact that the local tax rates throughout the country are so high that they take from the holder of good securities an excessive proportion of his income. According to the United States census, the average rate levied upon property assessed for local taxation in the United States in 1902 was about 2 per cent. of the capital value thereof, or, as tax rates are usually reckoned in Massachusetts, \$20 on each \$1,000 of the assessed valuation. In many places real estate was so far undervalued that a tax of 2 per cent. upon the assessed value may not have amounted to more than 1 per cent., or even one-half of one per cent., of the true value of the property. But personal property, if returned for taxation, must be valued usually at its true cash value; and it is clear that a tax rate of 2 per cent. may take from the holder one-third or one-half of his income. Under such circumstances few persons can or will make returns of their personal estates; and the usual result is that this property is taxed by the method of arbitrary estimate, or "doomage." When returns are made they come usually from trustees and executors of small estates, who cannot easily evade the law, and have less inducement to do so. Thus it comes about that the tax on personal property bears with exceptional severity upon widows and orphans, the most helpless class in the community, and is most easily evaded by the rich and powerful, who can best afford to pay it. Instances have come to the attention of members of the present commission in which widows are paying upon small estates taxes that take as much as 40 or 50 per cent. of the income; whereas in the same communities men whose taxable property would probably amount to millions are paying a few hundred dollars of personal taxes upon merely nominal assessments. These conditions are not peculiar to Massachusetts, — they have been repeatedly disclosed by the reports of tax commissions in other States; and among

students of American taxation it has become a mere truism that our present taxes upon personal property actually fall upon the taxpayers in inverse proportion to their ability to pay. Where personal property, particularly that of an intangible character, is greatest, it contributes least to the support of public charges; and among individual taxpayers the amount which each one pays generally stands in inverse proportion to the amount of personal property which he owns. This is now, and always has been, the result of attempting to tax all property, real and personal, at a uniform rate.

In order to enforce the taxation of personal property, the laws of practically all the States require taxpayers to make returns to the assessors under oath. These laws are frequently a dead letter, and very few such returns are actually secured. But in many States drastic efforts have been made to enforce the complete disclosure of personal property under oath, with the result that the laws have produced more perjury than revenue. The reports of State tax commissions are full of testimony to this effect. In them we read that existing laws put a penalty upon honesty and a premium upon perjury; that they are educating people in the practice of making false oaths; and that a high court in one State has decided that "Perjury in connection with a man's tax lists does not affect his general credibility under oath."

One of the most drastic laws on any statute book is the law of Ohio. Members of the present commission have recently visited Columbus, and have had opportunities to talk with representative citizens in many walks of life and with the highest officials of the State. To all inquiries about the taxation of personal property in Ohio the uniform reply was: "We are a State of liars and perjurers. Our law compels us to make a return of our personal property and to pay a tax ranging from 2 to 4 per cent. upon the full cash value. No man can or will pay such an exorbitant tax, and the result is that practically every man defends himself from spoliation and confiscation by perjuring his soul. You cannot overstate the

situation. No words can do justice to the iniquities of our present system. The estates of widows and orphans may pay half of their income; a few over-conscientious citizens may pay a corresponding proportion of theirs; but the general result is that the owner of money, credits or securities either leaves the State or makes a false return to the assessor. Our present system is a school of dishonesty and perjury."

If any law could compel the owners of intangible property to make a return of their holdings and pay a tax amounting to one-third or one-half of the income therefrom, it would seem that the tax law of Ohio could compel them to do so. For many years that State has required all taxpayers to make a return of their personal property "according to its true value in money," and this statement must be made under oath. But, besides that, the law authorizes any county auditor to summon a recalcitrant citizen before a judge of the probate court, and makes it the duty of such judge to punish the citizen for contempt if he refuses to answer any question which the auditor may ask concerning his personal property subject to taxation. Nor is this all. The auditor may summon any other person, including the cashier of any bank, whom he may suppose to have knowledge of any taxpayer's affairs, and may compel him to testify under oath. Such an investigation may extend back over a period of five years; and the law provides that, in case of proved evasion or false statement, five years' back taxes may be collected, with an addition of 50 per cent. as a penalty. When we remember that the average tax rate in Ohio at the present moment is $2\frac{1}{2}$ per cent. of the capital value of taxable property, it will be seen that, with the penalty included, the amount that may be recovered from a man who evades taxes for a period of five years amounts to no less than 18.75 per cent. of the entire value of his property.

Under such a law it was discovered twenty-five years ago that the assessment of personal property was decreasing not only relatively but absolutely. In 1887 the Governor of Ohio sent to the Legislature a special message

dealing with the question of taxation. "Personal property," he said, "is valued all the way from full value down to nothing. In fact, the great majority of the personal property of the State is not returned, but entirely and fraudulently withheld from taxation. So far as personal property is concerned, the fault is chiefly with the people who list their property for taxation. The idea seems largely to prevail that there is injustice and inequality in taxation, and that there is no harm in cheating the State, although, to do so, a false return must be made and perjury committed. This offence against the State and good morals is too frequently committed by men of wealth and reputed high character, and of corresponding position in society." To remedy the conditions thus disclosed, the Legislature extended to all parts of the State a device which had been tried previously in a few counties. It was provided that the county officials might employ agents to ferret out property escaping taxation; and these agents, known as tax inquisitors, were to receive as compensation a part of the taxes recovered through their efforts. Under the operation of this enlightened and civilized law, some millions of personal property were uncovered and placed upon the tax rolls; but this effect was merely temporary, since many wealthy persons were driven out of the State, and their personal property was thereby placed beyond reach. Many citizens of Ohio at this time took up residences in the city of Washington, others moved to New York; and it is disputed by no one that the effect of the tax-inquisitor law was to drive capital out of the State. In many cases the law is reported to have led to extensive blackmail; and it is a matter of common knowledge that persons with sufficient political influence were able to secure immunity from the tax inquisitors.

It will be seen that the law makers of Ohio have about exhausted human ingenuity in inventing drastic methods of securing the disclosure of personal property. The only known expedient which they seem to have overlooked is the use of torture, which was employed in the Roman Empire in order to force reluctant taxpayers to disclose

their personal estates. What has been the result of the drastic measures which Ohio has seen fit to employ? From the reports of the State Auditor we learn that in 1870 personal property, including, according to the Ohio classification, the property of railroads and some other corporations, amounted to 38 per cent. of the total property assessed for taxation; in 1905 it amounted to 31 per cent.; so that in Ohio, as elsewhere, an increasing proportion of the burden of taxation has fallen upon real estate.

But even more significant are the figures which show the amount of intangible property assessed under Ohio's severe laws. The reports of the State Auditor show the total amount of money, credits and securities assessed for taxation in each year, and from them the following table may be compiled:—

Table showing the Assessed Value of Intangible Property in Ohio.

YEAR.	Money.	Credits.	Securities.	Total.
1881, . .	\$40,600,000	\$101,100,000	\$8,600,000	\$150,300,000
1893, . .	41,600,000	111,200,000	9,700,000	162,500,000
1906, . .	59,900,000	77,200,000	10,800,000	147,900,000

It will be observed that under the operation of the tax-inquisitor law the amount of intangible property assessed for taxation increased but \$12,000,000 during the twelve years from 1881 to 1893,—an amount which is absolutely insignificant when compared with the growth of the State in wealth and population during this period. Since 1893, moreover, there has been an actual decrease in the amount of intangible property placed upon the assessment roll, showing that even Ohio's rigorous system, supplemented by the barbarous tax-inquisitor law, has signally failed in its effort to reach this class of property. And these figures, which show the results for the entire State, are very far from revealing the real inefficiency and iniquity of the system. In the cities of Ohio, where the amount of intangible property is greatest, the assessments

are smallest; and in the country districts, where the amount of such property is relatively less, the assessments are highest. In Cincinnati, where the tax-inquisitor system first took root, the escape of intangible property from taxation is notorious; and the same thing is true of Cleveland and the other larger cities in the State. Not only has Ohio failed to reach the general mass of intangible property, but it has failed most signally in those counties where the accumulations of such property are the greatest. Here, as elsewhere, the rule holds true that the taxes falling upon personal property are in inverse proportion to the ability of the citizens to pay. The conditions were truly described by the Ohio Tax Commission of 1893: "It must be perfectly apparent that we do not succeed in getting upon the tax duplicate any appreciable part of the personal property which is not tangible and which is not in sight;" and again: "The system as it is actually administered results in debauching the moral sense. It is a school of perjury. It sends large amounts of property into hiding. It drives capital in large quantities from the State."

In this place it is proper to remark that Ohio is now considering a thorough revision of her system of taxation. A commission is considering an amendment to the Constitution which will permit the State to abandon the attempt to tax all property at a uniform rate, and introduce a modern system of taxation. No one denies that the existing system is a complete failure, and one of the principal objects of the proposed reform is a change in the taxation of personal property.

It is needless to consider in detail the experience of other States. None have enacted severer laws than Ohio, and in none has the attempt to tax all property at a uniform rate ever met with success. So far as personal property is concerned, the situation has been so accurately described in a decision of the United States Circuit Court of Appeals that the present commission cannot do better than quote this opinion ¹ as its own: —

¹ *National Bank of Baltimore v. City of Baltimore*, 40 C. C. A., 257, 258.

The taxation of personal property has always and everywhere been a vexatious problem. Horses and cattle, wagons and carriages, the implements of husbandry and household furniture, — all things, in fact, which are visible, and cannot readily be concealed, including therein shares in incorporated companies, which may be compelled by the law creating them to make returns, — are within comparatively easy reach of the tax assessors. But the great mass of personal property, in which the wealth of a country is invested, consisting of bonds and other evidences of credit, which can be readily hidden, escape the eye of the assessor; and nothing is more conclusively settled by human experience than that it is impossible to collect taxes upon this kind of property with any reasonable approach to accuracy or equality, and this is not for want of long-sustained and earnest effort to accomplish it. There is a monotonous uniformity in the reports of the failures of every system attempted, however stringent may be the legislation, or however arbitrary or despotic may be the powers with which the assessors may be clothed. The heavy hand of the tax-gatherer always falls upon the widow and the orphan, upon trustees and guardians, whose estates are required by law to be revealed to the courts of probate, and upon those only whose consciences are unusually scrupulous, and who, having least experience in business, are least able to bear the burdens; while the most inadequate returns are invariably made by the rich, who are usually most ingenious in evasion, and most fertile in expedients to escape taxation. The result is that always and everywhere no appreciable part of such intangible property is reached by laws, however ingeniously framed or severely enforced. The heavy and ever-increasing rate of taxation in our cities makes this result inevitable. Safe investments are rarely found which yield more than 4 per cent., and, the rate of taxation being generally from 2 to 3 per cent., it is not to be wondered at that there should be endeavor to escape a burden which takes more than half of their income. Evasion and downright perjury is the consequence.

The history of the general property tax in Massachusetts is not materially different from its history in other States. From 1651 to the present date complaints that personal property evades taxation are met at every hand. During the last thirty-five years four commissions or special committees, exclusive of the present, have been appointed to study the question; and their reports disclose the fact that the taxation of intangible property is the

weakest point in the entire system. There is reason to believe that the administration of the law by Massachusetts assessors has been considerably better than the administration of the laws of many other States. The taxation of intangible property has not been such a complete farce with us as it has been elsewhere; yet we find no one who supposes that we are now taxing more than 10 or 20 per cent. of the money, credits and securities taxable under our present law. After careful study of the subject, our commission is forced to the same conclusion that was reached by the commission of 1897, which we reproduce here: —

It is obvious, however, that this method of taxation encounters, as to intangible property, exceptional and indeed almost insuperable difficulties. There are no such external indications of taxable liability as appear in the case of live stock, vessels, stock in trade or machinery. General repute as to the possession of large means, or a mode of life indicating an ample income, do not necessarily signify anything as to taxable securities. The investments of a person of means may be in real estate within or without the State, or in Massachusetts stocks or mortgages, or in bonds of the United States. An ample income, indicated by general expenditure, may be derived either from such sources already taxed or not taxable, or from trade and profession, or from taxable securities, — these last two being taxable, but taxable at very different rates. The assessors hence must rely on their knowledge and judgment in estimating the taxable property of this form. In a great and complicated society, with a mass of investments ramifying in all directions, the assessors are here confronted with a task which the best of them could not execute satisfactorily. Even the most capable, most experienced and most conscientious assessors could not have sufficient knowledge and judgment. But only average capacity can be expected; experience is often lacking; and, even for conscientious assessors, the temptations to laxity are in many cases irresistible. Consequently, the taxation of this form of property is in high degree uncertain, irregular and unsatisfactory. It rests mainly on guesswork; it is blind, and therefore unequal. Here is its greatest evil, though not its only evil. It is haphazard in its practical working, and hence demoralizing alike to taxpayers and to tax officials.

In its application to intangible property our present system stands condemned, in the first place, as unequal and ineffective. The inequalities in the assessment of persons owning intangible property are as common and as glaring as those found in other States. The ineffectiveness of the system in making personal property contribute to the support of government may be readily shown by the following statistics:—

Table showing Various Classes of Property assessed for Taxation in Massachusetts.

YEAR.	Real Property.	Personal Property.	Total.	Per Cent. of Personal Property to Total Property assessed.
1861, . . .	\$552,100,000	\$309,400,000	\$861,500,000	35.9
1871, . . .	991,200,000	506,200,000	1,497,400,000	33.8
1881, . . .	1,149,900,000	498,300,000	1,648,200,000	30.2
1891, . . .	1,678,500,000	566,500,000	2,245,000,000	25.2
1901, . . .	2,370,600,000	663,300,000	3,033,900,000	21.8
1906, . . .	2,668,100,000	736,800,000	3,404,900,000	21.6

It will be seen that for nearly half a century personal property has constituted a decreasing proportion of the total assessment, and that real estate has borne an increasing share of the burden of taxation; this, too, in spite of the fact that during this period the value of personal property has probably increased faster than the value of real property.

Similar testimony to the ineffectiveness of present methods of taxing personal property may be gathered from another table, which shows the per capita amount of personal property assessed for taxation in Massachusetts:—

Table showing Per Capita Assessment of Personal Property in Massachusetts.

1861,	\$249 86	1890,	\$247 43
1870,	354 14	1905,	236 98
1880,	265 62		

During this period both the total and the per capita wealth of the State have greatly increased, and there can be no doubt that the increase of personal property was more rapid, rather than less rapid, than the increase of real property. Yet the per capita assessment upon personal property has declined from \$249.86 to \$236.98.

Figures such as have been presented to show the ineffectiveness of present methods of taxing personal property are sometimes criticised upon the ground that during the last fifty years large amounts of personal property have been exempted from taxation in the hands of the owners; and it is said that but for these exemptions the assessed value of personal property might have shown a normal increase. In 1862 deposits in savings banks were taxed directly to the corporations at a reduced rate, and ceased to be taxable locally to the depositors; in 1864, when our general corporation tax was established, shares of Massachusetts corporations in a similar manner became exempt from taxation in the hands of the shareholders; in 1873, when the present bank tax was finally established, the shares of national banks were exempted from local taxation; and, finally, the act of 1881, which now governs the taxation of mortgages, exempted mortgages from taxation as personal property. This argument would have much force if the classes of property now exempt had been fully taxed under the earlier methods; but as a matter of fact they evaded taxation so largely that the local assessment of personal property was not greatly reduced when they were exempted from taxation.

In 1861, for instance, the deposits in the savings banks of Massachusetts amounted to \$44,785,000, and of this sum the local assessors had found and taxed not more than \$9,655,000. Accordingly, the law of 1862 took less than \$10,000,000 of taxable property off the local assessment rolls, and the aggregate assessment of personal property for that year was \$315,311,000, as compared with \$309,397,000 for 1861.

There are no figures showing the value of the shares of Massachusetts corporations taxed locally in the hands of

shareholders before the law of 1864 was enacted; but the following figures, showing the total amount of personal property assessed for taxation in Massachusetts from 1861 to 1870, show that the law of 1864 had no great effect upon the local assessments: —

Table showing the Assessed Value of Personal Property subject to Local Taxation.

1861,	.	.	.	\$309,400,000	1866,	.	.	.	\$430,300,000
1862,	.	.	.	315,300,000	1867,	.	.	.	457,700,000
1863,	.	.	.	343,500,000	1868,	.	.	.	469,800,000
1864,	.	.	.	324,600,000	1869,	.	.	.	503,100,000
1865,	.	.	.	386,100,000	1870,	.	.	.	516,100,000

It will be seen that in 1864 the assessed value of personal property declined from \$343,500,000 to \$324,600,000, which would indicate that the law of 1864 made a difference of not more than 5 or 10 per cent. in the total assessment.

The effect of the law of 1873 relating to the taxation of bank shares may be estimated in a similar manner. In 1872 the personal property assessed for local taxation was valued at \$565,294,000; and in 1873, under the new law, it was valued at \$537,388,000. Here, again, the loss from the total assessment did not amount to more than 5 or 10 per cent., even allowing for the fact that upon other items than bank shares there may have been a considerable increase in the valuation.

The law of 1881 relating to the taxation of mortgages seems to have taken about \$48,000,000, from the property subject to local taxation, if we may trust the "Aggregates of Polls, Property and Taxes" for the years in question. According to these figures, \$62,509,000 of debts secured by mortgage were assessed for taxation in 1881, and only \$14,693,000 were assessed the following year. This loss slightly reduced the total assessment upon personal property in the Commonwealth in 1882, but it did not prevent the assessment for 1883 from rising above the figures for 1881. For the three years in question the total assessment of personal property was as follows: —

Table showing Total Assessment of Personal Property.

1881,	.	.	.	\$498,300,000	1883,	.	.	.	\$505,200,000
1882,	.	.	.	494,700,000					

If allowance could be made for the changes produced by the laws of 1862, 1864, 1873 and 1881, it is probable that a comparison of the years 1861 and 1883 might result somewhat less unfavorably for personal property. There would appear a smaller decline in the proportion which personal property bears to the total assessment, and the per capita amount of personal property would be about as large as in 1861. But this would not modify our general conclusion, because since 1881 there has been no change in the tax laws that has taken any considerable amount of personal property from the assessment lists; nevertheless, the absolute and relative assessment of personal property has steadily declined. In 1883 personal property formed about 29 per cent. of the total property assessed for taxation, while in 1906 it formed a little more than 21 per cent. In 1885, the nearest census year, the per capita assessment of personal property was \$254, and in 1905 it was \$237. It is clear, therefore, that whatever may have happened between 1861 and 1883, there can be no escape from the conclusion that personal property has evaded taxation in an ever-increasing degree. Although it is probably increasing faster than the value of real property, it forms a decreasing part of the total assessment; and although the per capita amount in the Commonwealth must have greatly increased, the per capita assessment has steadily declined. No further proof is necessary to show the ineffectiveness of our present methods of taxing personal property.

Enough has already been said concerning the unjust manner in which the present tax on personal property falls upon individual citizens, and attention must now be called to the manner in which it has concentrated intangible property in a small number of favored towns. This

is a subject which has been studied by previous commissions. The commission of 1875 showed that wealthy citizens had even then begun to change their residences to desirable localities, where the tax rates were low and the assessments light or even nominal. It showed, for instance, that in 1865 the town of Nahant assessed \$12,710 of personal estate, and had a tax rate of \$15 per \$1,000; and that in 1872 the assessment of personal estate had advanced to \$5,507,000, while the tax rate had fallen to \$3.50 per \$1,000. It showed that a personal estate taxed in Boston for \$2,000,000 had been transferred to a town in Worcester County where the subsequent valuation of all personal property amounted to no more than \$1,383,000; and that another estate taxed at \$750,000 had been transferred to a town in Norfolk County without increasing the assessment of personal property in that town by more than \$250,000. The commission of 1897 presented statistics which showed that, of \$83,792,000 of intangible property assessed in all the towns of the Commonwealth, not less than \$52,570,000 was found in 18 selected towns, having a population of only 62,529. The present commission has made a careful study of this subject, and finds that the concentration of intangible property in a few towns has now proceeded so far as to constitute one of the gravest problems confronting the Commonwealth.

Attention is invited first to some statistics compiled from returns gathered by the Tax Commissioner in 1904. These show for all the cities and towns of the Commonwealth, with the exception of Boston, the assessed value of various classes of personal property. In one column we have placed the most important items of tangible property, such as merchandise, machinery and live stock; and in the other all remaining classes of personal property which could not be separately enumerated. The last column doubtless includes a certain amount of tangible property, such as household goods, personal effects and boats or vessels; but it consists for the most part of intangible property, such as money, credits and securities. Our table

divides the towns into three classes: the first contains 17 towns,¹ which show the greatest concentration of intangible property within their borders; the second contains 14 towns,² in which this concentration, although marked, has not yet been carried so far; the third class includes all the remaining towns; and this is followed by the statistics for all the cities with the exception of Boston.³

Table showing the Distribution of Tangible and Intangible Property in 1904.

TOWNS AND CITIES.	Merchandise, Machinery, Live Stock.	Other Personal Property, chiefly Intangible.
17 towns,	\$2,818,800	\$66,893,100
14 towns,	2,333,400	13,007,800
All other towns,	65,608,800	41,860,600
Cities, excluding Boston,	149,465,000	103,798,200
Total,	\$220,226,000	\$225,559,700

It will be observed that the 17 towns in the first group have 50 per cent. more intangible property than all of the towns in the third group, and that the 14 towns in the second group have nearly one-third as much intangible property as all the towns in the third group. It appears, furthermore, that the proportion of tangible property to intangible in the 17 towns is approximately as 1 to 24, that in the 14 towns it is approximately as 1 to 6, and that in all the other towns it is approximately as 3 to 2, — a proportion which holds also for all the cities excluding Boston.

The situation is made worse by our present method of distributing among the various towns the franchise tax

¹ The towns in this list are as follows: Brookline, Cohasset, Dalton, Dover, Falmouth, Groton, Hamilton, Hopedale, Lancaster, Lincoln, Manchester, Milton, Nahant, Wellesley, Wenham, Weston and Westwood. In Dalton and Hopedale, the concentration of personal property is due to the presence of large industries, and has come about in a perfectly legitimate way. In all the others large industries are conspicuous for their absence, and the concentration of personal property has come about in the manner described above.

² The towns in this list are as follows: Belmont, Boxford, Dartmouth, Dedham, Easton, Hingham, Lexington, Longmeadow, Mattapoisett, North Andover, Southborough, Stockbridge, Swampscott and Yarmouth.

³ Boston is omitted, since statistics for this city were not included in the Tax Commissioner's compilation.

upon corporations. With the exception of the tax upon street railways, the franchise taxes are distributed according to the domicile of the shareholders, the State retaining taxes paid in respect of shares owned by nonresidents, and the several towns and cities receiving taxes paid in respect of shares owned by residents of the Commonwealth. This brings it about that the towns in which intangible property is so greatly concentrated receive a very large proportion of the taxes paid by Massachusetts corporations and national banks, while the other towns receive a much smaller proportionate share. The result is that a few towns draw large revenues from personal property locally taxed and from taxes paid by Massachusetts corporations, so that they enjoy low tax rates and are in easy financial circumstances; while the other towns, and most of the cities, receiving little revenue from corporation taxes and local taxes on personal property, have high tax rates and encounter serious financial problems.

The situation will be made clear by the following table, showing the total revenue derived by various classes of towns and cities in 1905 from personal property subject to local taxation, and from the taxes upon Massachusetts corporations and national banks:—

Table showing Per Capita Receipts from Corporation Taxes and Local Taxes on Personal Property.

TOWNS AND CITIES.	Per Capita Receipts from Corporation Taxes.	Per Capita Receipts from Taxes on Personal Property.	Total Per Capita Receipts from Corporation and Personal Property Taxes.
Boston,	\$2 83	\$6 40	\$9 23
All other cities,	1 37	3 42	4 79
17 towns, showing greatest concentration of personal property.	9 50	13 11	22 61
14 towns, showing some degree of concentration.	3 82	5 60	9 42
All other towns,	1 08	2 24	3 32

It will be seen that the average town receives not more than \$3.32 per capita from all taxes upon corporate franchises and personal property, and must provide for the

rest of its expenses by taxes upon real estate; while the 17 most favored towns receive no less than \$22.61 from taxes upon corporate franchises and personal property. The average city, with the exception of Boston, receives \$4.79 from all taxes on corporate franchises and personal property, — hardly more than one-fifth of what the 17 favored towns receive; while Boston, the commercial and financial center of the Commonwealth, receives but \$9.23 per capita from personal property, — about 40 per cent. as much as goes to the favored towns. And in all these comparisons it must be remembered that the large receipts of the favored towns from personal property subject to local taxation are secured with low tax rates, which are not more than two-thirds the average rates levied on property throughout the Commonwealth. In the 17 most favored towns the per capita receipts from corporations and from local taxes on personal property range from \$10.21 to \$69.42, and the tax rates in 1905 ranged from \$7.25 per thousand up to \$14.70 per thousand. When it is recalled that the average tax rate in Massachusetts is about \$17 per thousand, the peculiarly favorable position of these towns will be readily apparent.

The concentration of personal property in a small number of towns has been brought about almost entirely during the last forty years. This will be made clear by statistics showing the per capita receipts from local taxes on personal property and corporation taxes distributed according to the domicile of shareholders in 1865, 1885 and 1905.¹ Since 3 (Hopedale, Wellesley and Westwood) of the 17 favored towns formed parts of other townships in 1865, the following tables are based upon a comparison of the 14 remaining towns with the rest of the Commonwealth: —

¹ For 1905 the street railway tax is omitted, since this is not distributed according to the domicile of the shareholders.

Tables showing Per Capita Receipts from Corporation and Personal Property Taxes.

1865.

	Per Capita Taxes on Per- sonal Property.	Per Capita Receipts from Corporation Taxes.	Total.
For State, exclusive of selected towns,	\$5 00 ¹	\$0 81	\$5 81
14 favored towns,	4 82	2 05	6 87

1885.

For State, exclusive of selected towns,	\$3 33	\$1 15	\$4 48
14 favored towns,	9 24	5 04	14 28

1905.

For State, exclusive of selected towns,	\$3 73	\$1 62	\$5 35
14 favored towns,	13 65	10 36	24 01

¹ Estimated in some part.

It will be seen that during this period of forty years the per capita taxes levied on personal property in the 14 favored towns have risen progressively from \$4.82 to \$13.65, while in the rest of the State they have declined from approximately \$5.00 to \$3.73. At the same time in the favored towns the amounts received from corporation taxes distributed according to the rule of domicile have risen from \$2.05 to \$10.36, while in the rest of the State they have risen from \$0.81 to \$1.62. From both sources the favored towns received \$6.87 per capita in 1865 and \$24.01 per capita in 1905, while the per capita receipts of the rest of the State actually declined from \$5.81 in the former year to \$5.35 in the latter. The figures for the intermediate year, 1885, indicate that the evil is progressive; and under our present laws there is no assignable limit to the extent to which it may be carried, short of the concentration of practically all intangible property and all corporation taxes distributed according

to the rule of domicile in a handful of favored towns. The situation is worse to-day than it was when the commission of 1875 called the matter to the attention of the Legislature, and is worse than it was when the question was raised by the commission of 1897. In the judgment of the present commission there are few matters, if any, more worthy of serious consideration. Unless a radical reform can be secured, a few communities are certain to grow richer; while the rest of the State, so far as the taxation of personal property is concerned, is bound to grow steadily poorer.

The figures already presented are perhaps sufficient for the purposes of this report, but it may be well to supplement them by another table, showing the per capita assessment of personal property subject to local taxation in these 14 favored towns and the rest of the Commonwealth for the years 1861 and 1905: ¹ —

Table showing Per Capita Assessment on Personal Property.

YEAR.	Per Capita Amount of Personal Property assessed in 14 Favored Towns.	Per Capita Amount of Personal Property assessed in Rest of State.
1861,	\$432 36	\$247 55
1905,	1,194 00	219 05

It will be remembered that an earlier table showed that the per capita assessment of personal property in the entire State had declined from \$249 in 1861 to \$236 in 1905. The figures just presented make it clear that, outside of these towns, there has been a decline from \$247.55 to \$219.05, while in these towns the per capita assessment has advanced from \$432.36 to \$1,194.

In explanation of the conditions which have been shown to exist, it is sometimes said that more property is assessed for local taxation in these towns because the assessors are

¹ In computing the per capita figures for 1861, the population of the State in the census year 1860 has been used. This will result in some slight error, but the error will probably be the same for the 14 towns as for the rest of the State, so that the comparisons made will not be affected thereby.

doing their full duty under the law, and that other towns would be as well off if their assessors were equally efficient. This explanation, if correct, would not account for the fact that the amounts which the favored towns receive from corporation taxes distributed according to domicile have increased even more rapidly than the amounts they receive from personal property subject to local taxation. But in point of fact in most of these towns the situation is quite the reverse of what is alleged. The commission has reason to believe that in a few of the favored towns the local assessors at the present day endeavor conscientiously to enforce the law, — Brookline is perhaps the best example; but in the others lax administration is the rule. Personal property has moved and is moving from places where the assessors try to do their duty to places where men of wealth can establish residence and virtually fix their own personalty assessments.

How faithfully assessors in many, if not most, of the favored towns do their duty under the law may be inferred from the cases cited in the report of the commission of 1875, and from other cases which have been brought to the attention of the present commission. In 1882 a personal estate assessed in Boston at \$800,000 was removed to one of these favored towns which in that year had a total valuation of \$462,900, of which only \$44,200 was upon personal property. The assessors in that town were notified of the man's removal, and the amount of his personal assessment in Boston was duly certified to them. In 1883 it appears that the total valuation of all property in the town rose to \$741,600, of which \$325,865 represented the assessment of personal property. From this it appears that the assessors in that town did their duty so faithfully that the addition to their tax rolls of a personal estate which they knew to be valued at \$800,000 increased the total assessment of personal property about \$280,000. The bargain of course was an advantageous one for the town in question, since the tax rate, which in 1882 had been \$11, was reduced to \$7 in 1883; but that the transaction showed a purpose strictly to enforce the

laws of the Commonwealth can hardly be maintained. This is but one case of the many which could be cited. In 1891 a careful study revealed the fact that during the twenty years immediately preceding Boston had lost personal estates assessed at \$75,000,000 through the removal of persons to 15 of these favored towns. In 1871 the 15 towns in question had assessed for taxation \$26,750,000 of personal property; twenty years later the assessment had advanced to \$52,558,000, — an increase of \$25,808,000. On the assumption that there had been no increase of personal property in these towns except the \$75,000,000 gained by the removal of certain taxpayers from Boston, it would appear that the local assessors, in the faithful performance of their duty under the law, had assessed about one-third of the taxable property brought into their jurisdiction. And if we assume, as we must, that there had been some increase in taxable personal property other than that brought into the towns by the taxpayers referred to, we must conclude that the local assessors had taxed less than one-third of the property removed from the tax lists of Boston. It can hardly be necessary to pursue this subject further. Intangible property has never been known to move from places where it is inadequately assessed to places where it is assessed at its full value; and in this case we have the clearest evidence that personal estates transferred from Boston to these favored towns were assessed at only a fraction of the valuations placed upon them by the Boston assessors.

It has also been stated that these favored towns have attracted wealthy people because of their natural advantages as places of residence. That many, if not most, of these towns are favored in this regard cannot be denied, but it is entirely incorrect to assume that they have any monopoly of fine scenery and other natural attractions. It is too clear for dispute that a low tax rate and a nominal assessment upon one's personal property are desirable and even indispensable adjuncts to the natural advantages which a town can offer prospective residents; and it is

certain that a rigorous assessment of personal property and a tax rate of \$20 in the thousand will destroy the charm of the finest scenery in the Commonwealth.

In the opinion of the commission, the present methods of taxing intangible property are ineffective in producing revenue, and highly unjust in their operation on individual taxpayers. They have had the further effect of concentrating this class of property in a few towns, and from the nature of the case must continue to do so. They constitute the gravest problem connected with our system of taxation, and until they are changed our tax laws will remain vitally and fundamentally defective.

In considering possible remedies for the admittedly unsatisfactory outcome of our taxation of intangible property, the present commission, like its predecessors, has found that there are two opposing schools of thought. Representatives of the one school have urged that most, if not all, classes of intangible property should be exempted from taxation upon the ground that it is impossible to tax them with a reasonable approach to equality or certainty. They contend, furthermore, that credits and most classes of securities represent merely titles or evidences of ownership of tangible property which is already taxed either in this State or in other States where it happens to be located. To tax this tangible property, and then to tax the evidences of ownership in it, is declared to be double taxation; and, since the tangible property is always taxed at its *situs*, it is considered unjust to levy a second tax upon credits or securities. Representatives of the other school contend, as they have always done, that the evil of double taxation is not so serious as is alleged; and that it is unjust that persons who draw large incomes from intangible property should enjoy full protection under the laws of the Commonwealth, and yet contribute nothing to the support of public charges. They admit that there is much evasion of the present tax upon personal property, but contend that the true remedy is to strengthen the existing law and improve the methods of administering it. Between the

opposing schools matters have long been at a deadlock in Massachusetts, as in other States; and tax commissions, here as elsewhere, have usually been unable to come to an agreement upon any proposed remedy.

Representatives of the first school have urged the commission to recommend to the Legislature House Bill No. 733 of 1906. This bill provides that, in order to avoid double taxation, certain classes of personal property shall be exempt from the tax now imposed upon them, and in lieu thereof shall be taxed upon the income they yield. This measure, however, would remedy only a part of our present difficulties, since it does not apply to all classes of intangible property. It would furthermore make the income from the property to which it applies taxable at the varying local rates levied in the cities and towns of the Commonwealth, and would not remove, though it would reduce, the inducement which taxpayers now have to move from places where the tax rate is high into places where it is low. For these and other reasons the commission is unable to recommend the bill to the favorable consideration of the Legislature. If intangible property is to be taxed at all, the commission believes that the tax should be levied at a uniform rate throughout the Commonwealth.

A second proposal has come from representatives of the school which believes that all property should be taxed in substantially the same way. In view of the growing concentration of intangible property in towns where tax rates are low, it is suggested that the tax upon this class of property should be made uniform throughout the Commonwealth, and should be levied at the average rate computed by the Tax Commissioner for the taxation of corporate franchises. At the present time this would mean a uniform tax of a trifle more than \$17 upon each \$1,000 of the valuation of intangible property. This plan also the commission is unable to recommend to the Legislature, because it believes that a uniform tax of \$17 in the thousand would be even more injurious in its results than our present method.

Those who support this proposal do not realize that a tax of \$17 upon the fair cash value of good securities is equivalent to a tax of from 30 to 50 per cent. of the income received by the taxpayers. From securities yielding the investor 6 per cent. a tax of \$17 takes nearly 30 per cent. of the income; from securities yielding 5 per cent. it takes over 33 per cent. of the income; from those yielding 4 per cent. it takes over 42 per cent. of the income; and from those yielding $3\frac{1}{2}$ per cent. it takes nearly 50 per cent. of the income. These rates are exorbitant in themselves and are so excessive that they are virtually uncollectible except from the most helpless or ignorant taxpayers. Outside of our American Commonwealths, no civilized government in the world thinks of levying such heavy taxes upon property as mobile and as readily concealed as money, credits and securities. Here and there a widow, an executor of some estate, or some person ignorant of methods of evading the law, may have to submit to our present tax upon a full valuation; but no one else thinks of submitting to such taxation. To every person who has appeared before the present commission to advocate the plan now under consideration, the question has been put: Would you pay a tax of \$17 in the thousand upon investments yielding you 4 or 5 per cent.? In every case the answer has been in the negative, although in some instances it was still maintained that other people might be willing or could be compelled to do so. The commission has been unable to find a single advocate of the plan who considers that he himself ought to pay a tax amounting to one-third or one-fourth of his income; and it is forced to the conclusion that the State should not compel any one to do so.

To this conclusion it may be replied that if all intangible property were placed upon the assessment rolls at its full value the average tax levied throughout the State would be reduced to \$10 or \$12 per thousand. This is perhaps true, and it would be worthy of consideration if there were the slightest possibility that all such property could be found and assessed by the methods proposed; but

in point of fact there is no such possibility. It is well known to every taxpayer that for a decade or more the average rate levied upon property throughout the Commonwealth has ranged from \$15 to \$17 per thousand, and with that fact before him he would not be likely to submit to a full assessment of his personal estate. Even if it were known that the rate would be \$10 or \$12 per thousand, it is not probable that anything like a full disclosure of his intangible property could be obtained from the average taxpayer. A rate of \$10 is 25 per cent. of the income derived from a 4 per cent. investment, and is 20 per cent. of the income from an investment yielding 5 per cent. Such rates are double or treble the rates which European countries attempt to levy upon personal incomes, and are so high that the tax would even then be uncollectible.

The commission has already stated its belief that the concentration of intangible property in a few favored towns has become an intolerable evil, but it is also of the opinion that it is better for the Commonwealth to have property concentrated in these towns than to have it driven into other States; for our present laws make tax-dodging virtually a necessity for the resident of the average city or town who owns any large amount of taxable securities. He cannot, and in justice should not, pay a tax amounting to one-third or one-fourth of his income; and if pressed by the assessors has no alternative but to make a false return or else move to a more favored locality. We are not now considering the case of a man who is unwilling to make any contribution to the support of public charges, but rather the case of the average citizen, who is undoubtedly willing to do his duty as a taxpayer. If he owns taxable securities, he has no alternative but to evade taxation or pay an unreasonable and confiscatory tax. Not a few such persons have in the past taken up residence in other States, and it is certain that a uniform tax of \$17 per thousand, if rigorously enforced, would compel many others to follow their example. This has been the result of the drastic tax laws of Ohio, and the commission

has no desire to see Massachusetts repeat the experience of that State. After all, the purpose of a tax law is to obtain revenue, not to annoy and harass the citizens; and a tax which would drive capital from the Commonwealth is the most unwise tax that could be placed on the statute book. ✓

It is always to be remembered that there is an absolute limit to the tax rate which a government can impose upon any class of property. During our civil war the United States attempted to collect a tax of \$2 per proof gallon upon spirits, with the result that the law was evaded to such an extent that the revenue was greatly reduced; and it was found that when the tax was reduced to 50 cents per proof gallon the revenue increased from \$14,290,000 to \$33,735,000. Similar instances abound in the literature of finance, and some of them will be referred to in subsequent pages. It is sufficient at this point for the commission to record its belief that a tax of \$17 per thousand upon intangible property is higher than any government in the world can collect with even tolerable certainty or uniformity. So far as we can learn, no such tax ever has been collected, and we see no reason to think that it ever can be. We are obliged, therefore, to reject the plan for a uniform tax upon intangible property at the average rate computed for the corporation tax.

In the membership of the present commission there are representatives of both of the schools to which reference has been made. Some of the members came to their work with the belief that intangible property should be immediately exempted from taxation, while others desired to strengthen the existing law, in the hope of securing a full return of all classes of taxable property. After four months of study, differences of opinion still exist concerning what would be an ideal system of taxation for Massachusetts; but an agreement has been reached upon a desirable method of reforming the taxation of intangible property.

The commission recommends that the tax levied upon

this class of property be made uniform throughout the State, and that the rate be fixed at 3 mills upon each dollar of the fair cash valuation (\$3 per \$1,000). If this can be done, it will be possible to adopt more effective methods of enforcing the law; and the commission accordingly recommends a number of administrative provisions designed to bring about a full assessment of intangible property.

This plan, the commission believes, is the most practicable method of reaching the two chief evils in our present methods of taxing intangible property. These evils are: first, the excessive rates now levied upon money, credits and securities; and, second, the diversity in our local tax rates, which tends to drive this class of property into favored localities. The plan is substantially similar to laws which have been in operation in Pennsylvania and Maryland for a number of years, and have stood well the test of time and experience. For nearly thirty years Pennsylvania has taxed intangible property at a uniform rate of 4 mills upon each dollar of the fair cash valuation (\$4 per \$1,000). As found in the statutes, the tax has two parts: first, a tax upon intangible property other than corporate loans; and, second, a tax upon the loans of counties, municipalities and business corporations doing business in Pennsylvania. In reality, however, the two laws form a single consistent scheme for the taxation of intangible property at a uniform rate. The tax on intangible property other than corporate loans is administered by county officials. It applies to money at interest, money owing by solvent debtors, mortgages, public securities not exempt from taxation nor included in the tax on corporate loans, and shares of stock in all corporations other than companies subject to taxation upon their capital stock or their business in Pennsylvania. It is collected by the counties and paid into the State treasury, but the State then returns three-fourths of the proceeds to the various counties. The tax upon corporate loans is deducted by the treasurers of counties, municipalities and

business corporations when paying interest upon loans, and is paid directly into the State treasury, the proceeds accruing wholly to the State.

The Supreme Court of the United States has decided that a State has no constitutional power to require corporations to deduct a tax from interest paid to nonresident bondholders. It has further decided that foreign corporations doing business in the State cannot be required to deduct a tax from interest money disbursed in another State. The practical outcome, therefore, is that the tax on corporate loans has been collected chiefly from Pennsylvania corporations, and then only from interest paid on bonds owned by residents of Pennsylvania. The two taxes herein described have practically the same scope as the tax which the commission proposes that Massachusetts should adopt. They apply to all money, all credits, all stock in business corporations not taxed directly by the State, and to all county, municipal and corporation loans owned by residents of Pennsylvania. The only thing included in the Pennsylvania law which would not be included in the tax proposed for Massachusetts would be mortgages upon taxable real estate within the Commonwealth.

In Pennsylvania the tax upon intangible property other than corporate loans is assessed by the county officials upon the basis of returns made by taxpayers. The law requires every person to make a return of all taxable money, credits and securities; and this statement must be made under oath. Upon the refusal or failure of any person to make the required return, the assessors are authorized to make an assessment from the best information they can obtain; but the commission learns that in most counties of the State this doomsday law is not rigidly enforced. A very large part of the tax, possibly 50 per cent., is collected from mortgages on real estate, since the law makes rigorous provisions for ascertaining the ownership of this class of property; a considerable amount is paid by trust companies upon personal property which they hold in trust;

and the remainder, possibly 30 or 35 per cent., is paid by individuals assessed by sworn return or by dooming. Even allowing for the large amount collected from mortgages, the increase of property taxed by the county officials at the rate of 4 mills has been very remarkable, as shown by the following table:—

Table showing the Amount of Intangible Property locally assessed.

1885,	\$145,300,000	1900,	\$722,900,000
1888,	429,800,000	1903,	847,100,000
1891,	575,300,000	1906,	932,900,000
1894,	613,900,000	1907,	1,014,000,000
1897,	673,700,000		

Even if one-half of the assessment represents mortgages on real estate, the results are striking. In other States we have shown ¹ that personal property, particularly property of an intangible character, forms a decreasing proportion of the total assessment, and sometimes fails to increase at all with the growth of wealth and population. But in Pennsylvania during the last twenty-two years intangible property taxed at the rate of 4 mills has increased much more rapidly than the assessed valuation of real estate, which between 1885 and 1903 increased from \$1,697,202,000 to \$2,986,197,000. The most remarkable increase in the assessment of intangible property occurred between 1885 and 1888, and resulted from a stricter doomage law. But even after 1888, the law remaining unchanged, the assessments showed a normal and healthy increase, as the assessment of property should in a community that is increasing in wealth and population. With the single exception of Maryland, no such results have been achieved by any State in the Union.

It is not to be inferred from what has been said that the local assessors discover all intangible property subject to taxation, and list it at its true value. In point of fact, the administration of the Pennsylvania law is far from rigorous; and, except in the case of mortgages and personal property held in trust by trust companies, there is

¹ See page 25 *et seq.*

more or less evasion. But, even so, a far greater proportion of such property is reached than in other States, and the persons who are taxed pay a reasonable rate, which does not produce material hardship. The tax is not looked upon as odious or confiscatory, and yields a substantial revenue which steadily increases from year to year. The commission believes that in Massachusetts a similar law could be administered with even greater success, since in this State the average board of assessors would probably do its work with greater efficiency than is shown by the county officials in most parts of Pennsylvania. It is possible also for Massachusetts to profit by the experience of Pennsylvania, and to introduce many improvements in the administration of the law.

The tax upon corporate loans is collected by methods which make evasion comparatively difficult. Although limited in its operation to bonds owned by residents of Pennsylvania, the yield has steadily increased at a satisfactory rate. From 1886 to 1890 the receipts averaged \$300,000 per year, this amount being somewhat less than usual, because considerable sums were withheld by corporations pending the outcome of litigation. From 1891 to 1895 the receipts averaged \$1,130,000, from 1896 to 1900 they averaged \$1,260,000, from 1901 to 1905 they averaged \$1,530,000, and in 1906 amounted to \$2,352,000. Here, as in the figures showing the results of the tax upon intangible property assessed locally, we find a healthy and normal increase. It is clear that the tax on corporate loans, even though it is collected only on securities held in Pennsylvania, does not drive this class of property out of the State. The legal questions which originally arose under the requirement that the corporations deduct the tax have now been settled, and it may be regarded as established that a State has the right to require domestic corporations to deduct a tax in this manner from securities owned by residents. In recent years corporations have often voluntarily assumed the payment of the tax, in order to be able to advertise that their bonds are nontaxable in Pennsylvania.

From the figures just given, showing the yield in 1906, it can be computed that at the present time the tax on corporate loans reaches approximately \$600,000,000 of property. If we add to this figure the \$1,014,000,000 of intangible property assessed by the county officials, we have a total of \$1,614,000,000 of *intangible* property taxed in Pennsylvania. This figure excludes the shares of corporations taxed directly by the State. It amounts to nearly one-half of the assessed value of real estate subject to taxation in Pennsylvania. If we deduct the amount representing the probable assessment of mortgages, we still have more than \$1,000,000,000 of intangible property assessed for taxation. No other State in the Union has ever made an equally favorable showing. Ohio, with a far more drastic law, assessed in 1906 only \$147,900,000, and this includes mortgages; so that the figures are to be compared with the total of \$1,614,000,000 in Pennsylvania.

A comparison between Pennsylvania and Massachusetts is equally interesting. The former State, as has been shown, taxes over \$1,000,000,000 of intangible property, exclusive of mortgages and other things not taxable under a similar law in Massachusetts; and this figure amounts to nearly 30 per cent. of the assessed value of real estate taxable in that Commonwealth. In Massachusetts there are no figures which show the exact amount of intangible property now reached by the local assessors. In 1889, the last year in which such figures were collected, the intangible personal property amounted to \$247,000,000, out of a total valuation of \$501,000,000 on personal estates, exclusive of resident bank stock. These figures would indicate that at that time intangible property formed less than half of the assessed value of personal property. An independent investigation, based upon returns to the Tax Commissioner in 1904 and estimates furnished by the Boston board of assessors, shows that in that year the proportion which intangible property bore to the total assessment of personalty was substantially 45 per cent. In

1906 the assessed value of personal property exclusive of resident bank stock was \$705,000,000; and, assuming that 45 per cent. of this is intangible property, we may conclude that under our present law we are reaching approximately \$317,000,000 of money, credits and securities. This is about 30 per cent. of the similar property taxed in Pennsylvania, while our population is approximately half as large as the population of that State. In Pennsylvania the assessed value of intangible property such as comes within the scope of the Massachusetts law is 30 per cent. of the value of real property. In Massachusetts our \$317,000,000 of intangible property was less than 12 per cent. of the assessed value of real property in 1906. The comparison results favorably to Pennsylvania in both instances, even though, as has been remarked, the general efficiency of local boards of assessors is probably greater in Massachusetts than in that State.

The experience of Maryland is as interesting and instructive as that of Pennsylvania. In 1896 a law was enacted which limited the tax which cities and counties could levy on certain classes of securities to 30 cents on each \$100 of the valuation (\$3 per \$1,000). This applied simply to the bonds of all corporations, public as well as private, and to the shares of foreign corporations. Shares of Maryland corporations, since they are reached in another way, are not subject to local taxation. In addition to the local taxes of 30 cents per \$100, the securities included in the provisions of the act of 1896 are subject to the State tax, which usually amounts to 16 cents per \$100; so that the combined State and local taxes amount to approximately 46 cents per \$100 (\$4.60 per \$1,000). For eleven years, therefore, Maryland has had a uniform tax of moderate amount upon certain classes of securities, and the results of the law have been most striking.

No statistics are obtainable for the entire State; but the bulk of this property undoubtedly is held in the city of Baltimore, and in that city complete statistics are available: —

Table showing Assessed Value of Securities taxed in the City of Baltimore.

1896,	\$6,000,000	1902,	\$89,900,000
1897,	55,000,000	1903,	94,300,000
1898,	55,000,000	1904,	85,900,000
1899,	61,900,000	1905,	104,200,000
1900,	65,800,000	1906,	120,400,000
1901,	68,900,000	1907,	150,900,000

In 1896, when these securities were taxed at the full local rate, which was then about \$20 per \$1,000, the assessment was not more than \$6,000,000. The following year, when the tax was reduced to about \$4.60 per \$1,000, the assessment increased more than ninefold. Since that time the assessment has nearly trebled, and Baltimore is now taxing twenty-five times as much of this class of property as it taxed in 1896 at the higher rate. An interesting comparison can be made between Boston and Baltimore. According to estimates furnished by the board of assessors, it appears that in 1907 about \$110,000,000 of intangible property was assessed in Boston. This included money on hand, on deposit and at interest; debts due to taxpayers; municipal bonds and other public stocks or securities; shares of foreign corporations; and bonds of all corporations, domestic and foreign. At the same time, in Baltimore, under the operation of the uniform tax, the assessment upon shares of foreign corporations and bonds of domestic and foreign corporations amounted to \$150,900,000. Baltimore has not quite the population of Boston, and if there is any difference in the wealth of the two cities, that of Boston is undoubtedly the greater; while the Baltimore taxes applied to only three of the five classes of property included in the Boston assessment. Moreover, the assessment in Baltimore was made under an antiquated law. The Maryland law does not provide for annual reassessments of the whole city, and the force at the disposal of the assessing department is so small that a complete annual assessment could not be had, even if the law required it. Moreover, dooming is very rarely employed,

and practically the whole assessment is based upon returns of taxpayers. That under such circumstances Baltimore should assess \$150,000,000 of the specified securities, while Boston assesses but \$110,000,000 of intangible property of all descriptions, is a fact of the utmost significance. It shows that people will voluntarily return for taxation at a reasonable rate far more property than the most arbitrary dooming law can place upon the assessment list.

If we compare the assessment of intangible property with the assessment of real property in the two cities, the results are equally striking. In 1907 Boston assessed \$110,000,000 of intangible property of all descriptions, while the assessed valuation of real estate was \$1,070,000,000, the former class of property amounting to about 10 per cent. of the latter. In Baltimore the same year the valuation of real property was \$306,000,000, while the valuation of the specified classes of securities was \$150,900,000, or approximately 50 per cent. of the real property. It is probable that in Baltimore the assessed value of real estate forms a smaller proportion of its true value than would be found to be the case in Boston; but, even if we suppose that the assessed value of real property in Baltimore should be increased 100 per cent., in order to make the figures comparable with the figures for Boston, — a highly improbable assumption, — the comparison would still be very greatly in favor of the former city.

The testimony of the most competent observers is highly favorable to the Maryland law. Judge Oscar Leser of the Appeal Tax Court, who has had better opportunities than any one else for studying the subject, gives the following testimony: —

Although we believe that the proportion of the entire tax received by the State is greater under our system than it ought to be . . . the new law has produced highly beneficial results. It has largely taken away the incentive to perjury on the part of the taxpayer, and it has encouraged the investment of money in taxable securities, while at the same time a substantial revenue has been vouchsafed both city and State. The fixing of a uniform rate throughout the State has taken away the former

inducement to the owners of such intangible property either to remove into adjoining counties where the local tax was less, or to fraudulently claim a taxable residence outside of the city limits. It can be readily seen that the moral effect of such a law has been highly beneficial. In an indirect way it has stimulated honesty in other matters affecting taxation, because the man who would lie or cheat in regard to one species of property is very likely to do the same thing in regard to other species. It is generally admitted and recognized here that the burden thus exacted from security owners is reasonable. Hence, public opinion fully supports the law, and frowns upon any attempted violation of it.

Judge Leser has further stated to members of the present commission that the officers of the Appeal Tax Court feel that they are enforcing a reasonable law, which is in no way odious and has the support of all right-minded citizens, — a statement which could not be made by any board of assessors outside of the States of Pennsylvania and Maryland.

The mayor of Baltimore has recently appointed an advisory committee on taxation, which has made a careful study of the revenue system of the city. From Prof. Jacob H. Hollander, of Johns Hopkins University, a member of this committee, the commission has recently received the following testimony: —

Ten years ago the city of Baltimore, through fiscal exigency rather than in consequence of scientific analysis, was supplied with a method of taxing so-called "intangible wealth," which in the decade of its operation, under but fairly efficient administration, has placed a steadily increasing assessment upon the tax books, to the material betterment of the city treasury, to the appreciable relief of the overtaxed real estate owner, to the manifest improvement of local tax morality, and to the lessening of county immigration for tax purposes. While the results thus obtained have been absolutely substantial and relatively favorable, they are very far from representing maximum possibilities. During the decade under consideration Baltimore suffered a devastating conflagration, involving the destruction of many millions of tangible property, and the necessary liquidation and conversion of considerable holdings of securities. The whole system of

capital holding was disorganized, and only during the last two years has anything like equilibrium returned. Moreover, the assessing force, although a substantial improvement over the older conditions, leaves much to be desired, both on the score of numbers and expert equipment. The whole basis of securities now upon the tax books, exclusive of the original listing, represents little more than the spasmodic efforts of an inadequate force working upon the problem at hand, under intelligent direction, but without systematic plan in pursuit. I have no hesitation in saying that not only are better results attainable, but, more than this, that any conceivable kind of tax would work poorly if similarly handicapped in administration. That under these conditions the results have been so favorable confirms the fiscal possibilities of the measure at its best.

The outcome of the commission's investigations is substantially this: the attempt to tax money, credits and securities at the same rate as other classes of property has everywhere and always proved a failure. In our American States the result has been that the assessment of intangible property decreases either absolutely or relatively as wealth and population increase. We can find no exception to this general rule, and are forced to the conclusion that our present laws are at this point fundamentally wrong. Upon the other hand, it appears that two States have met with reasonable success in administering a uniform tax of moderate amount upon intangible property; and the conclusion seems inevitable that if Massachusetts is to continue to tax this class of property she should adopt a plan similar to that now in operation in Pennsylvania and Maryland.

Before coming to a final conclusion, the commission decided to visit Baltimore, Harrisburg and Philadelphia, in order to investigate at first hand the working of the laws above described. In Baltimore and Philadelphia personal interviews were had with the officials who administer the law, and at Harrisburg interviews were obtained with various State officials. In all three cities the results of the inquiries were substantially the same. The commission found that methods of administration were in general less

effective than those employed in Massachusetts, and that any laws which could be successfully administered under such conditions would be even more successful in this State.

The commission has drawn a bill which combines the best features of the Maryland and Pennsylvania laws, and has added other provisions designed to secure greater efficiency in administration.

The bill exempts intangible property from all other taxation, and makes it liable to a uniform tax of 3 mills on each dollar of the fair cash value (\$3 per \$1,000).

It has been drawn so as to make taxable at the rate of 3 mills no property now exempt from taxation, and in general makes as few changes as possible in the existing system. It imposes no new burdens upon any class of property or business, and aims solely to make our laws more reasonable and effective.

The classes of property included within the provisions of the bill are money, credits and securities now liable to taxation. All other kinds of personal property are left taxable, as at present, at the full local rate. The moneyed capital of bankers or brokers is specifically excluded from the property taxable at the rate of 3 mills, and is left subject to taxation at the full local rate, because any other course would invalidate the present bank tax. The power to tax shares of national banks is derived from a federal statute, which provides that the shares shall not be taxed at a rate exceeding that levied upon other moneyed capital; so that no course is open but to leave the moneyed capital of bankers and brokers taxable as at present.

The rate of the tax which should be imposed on intangible property has been the subject of careful consideration. In Pennsylvania, as already stated, the rate is 4 mills (\$4 per \$1,000); in Maryland it is approximately 4.6 mills (\$4.60 per \$1,000). But these rates are probably too high to give the best results, and this opinion is confirmed by what the commission learned during its visit in Baltimore and Philadelphia. We believe that in this matter we should be guided by the experience of other countries in

taxing the income from this class of property. That experience shows that a direct tax exceeding 5 or 6 per cent. of the taxpayer's income is regarded as a heavy burden, and that as a rate approaches the figure of 8 or 10 per cent. it becomes unbearable and leads to evasion. A tax of 3 mills upon each dollar of the valuation amounts to 5 per cent. of the income from a security that yields the investor 6 per cent. interest, it is 6 per cent. of the income from an investment yielding 5 per cent. interest, and is nearly 8 per cent. of the income from an investment yielding 4 per cent. interest. This is as high a rate as we think that Massachusetts should impose upon a class of property the assessment of which requires the co-operation and the good will of the taxpayer.

It is to be remembered that with us the tax will be assessed by local boards, which have been subject hitherto to no central control. Even with such supervision as the commission recommends, it is not to be supposed that we can be more successful in taxing intangible property than European governments having a highly trained civil service which is subject to strict central control. Under such conditions our tax rate should be less rather than more than the rates which those governments impose upon incomes; and the commission is confident that in the long run a tax of 3 mills will produce more revenue than a tax levied at such rates as we now find in Maryland and Pennsylvania.

A further consideration is that no small part of intangible property represents tangible property which has already been taxed either in this Commonwealth or elsewhere, so that to some extent the tax of 3 mills involves double taxation. This fact obviously affects the attitude of the taxpayer, and makes it all the more desirable that our proposed tax should not be too high.

It has been suggested to the commission that the rate here proposed is less than the Commonwealth now imposes upon the deposits of savings banks, which have long been treated as a class of property deserving special consideration. It is true that the nominal rate for savings deposits



is 5 mills, but this is not the actual rate. The law exempts from taxation that part of the deposits of savings banks which is invested in mortgages on taxable real estate, and the banks are granted an abatement of part of the tax on bank shares owned by them. The result is that for many years the average tax upon savings deposits throughout the Commonwealth has been almost exactly $2\frac{1}{2}$ mills; so that the rate which the commission proposes to levy upon intangible property is more and not less than the actual rate paid by savings banks.

With a rate of 3 mills, we believe that the average citizen of Massachusetts will cheerfully submit to taxation upon intangible property. There are doubtless in every community some persons who will try to evade any tax, however reasonable it may be; but we cannot believe that they represent the attitude of the average citizen. It is the testimony of assessors that under our present system most men will allow themselves to be doomed upon what they consider a reasonable amount of property, and that they will not seriously complain or change their residence until they feel that they are paying more than their neighbors contribute. The experience of Pennsylvania and Maryland points to the same conclusion, as does the experience of those European countries which levy reasonable taxes upon income. No form of personal taxation can be wholly free from evasion; but the commission believes that a reasonable tax, even on intangible property, can be successfully administered in Massachusetts. With a fixed rate of 3 mills, no man's tax will be larger because his neighbor evades taxation. Widows and orphans will not be compelled to contribute one-third or one-half of their income. Our assessors when they discover taxable property can enforce the law without feeling that they are imposing an odious and confiscatory tax. Public sentiment will heartily support the law, and tax-dodging will become unfashionable, greatly to the advantage of public and private morality.

The tax proposed by the commission is to be assessed to the owners of intangible property in the city or town

in which they reside on the first day of May; and the rules of assessment and collection, so far as practicable, follow those prescribed by chapters 12 and 13 of the Revised Laws. At some points, however, it has been necessary to change the methods of administration.

The most important change is that made by sections 22, 23 and 24 of the bill herewith submitted. The commission proposes that hereafter Massachusetts corporations, as well as counties, cities and towns, shall be required, when paying interest upon their bonds, to deduct the tax of 3 mills. This is the practice in Pennsylvania, as well as in many countries of Europe. The tax can be deducted, of course, only from interest paid on bonds owned by residents of the Commonwealth; and the commission suggests practicable methods of preventing evasion and meeting the difficulties that arise in the case of coupon bonds. We believe that the legality of making the corporation the agent in collecting the tax has been fully established. It has been objected that by such deduction a corporation would violate the terms of its contract with the bondholders; but we believe that the only right affected is the right of the bondholder to dodge his taxes, and that this right will not be considered peculiarly sacred by the courts. From the point of view of the bondholder who intends to pay his tax, this method of collection has obvious advantages, since it makes it unnecessary for him to disclose to the assessor his holdings of corporation, county or municipal bonds. It tends, therefore, to make the tax less inquisitorial in character, while it safeguards the interests of the public treasury.

The bill submitted by the commission requires a return for taxation of all property liable to the tax of 3 mills, except corporation, county and municipal bonds, upon which the tax has been deducted, as explained above. It provides that this return shall be made upon a separate form, which shall be entirely distinct from the forms prepared for the return of other classes of property. It further provides that the taxpayer shall state only the total amount of his taxable property of each of the five classes

enumerated in section 4 of the bill; but assessors will be permitted, as at present, to ask any necessary and reasonable questions concerning details. These provisions make it easy for the citizen to make a full return of his intangible property with as little inquisition as possible into his private affairs. If the return is made under oath, and the assessor is allowed to make necessary inquiries concerning details, the interests of the community will be sufficiently safeguarded and the law will be administered with much greater ease.

While it is proposed to make it easier for a citizen to bring in a list of his intangible property, the commission proposes to strengthen the law concerning persons who fail to bring in such lists. Section 7 of our bill provides for a penalty of 50 per cent. for failure to bring in a list of property subject to the tax of 3 mills; section 9 provides that a person who changes his residence shall not have his assessment reduced until he makes the required return; section 18 provides that all information contained in returns made under the inheritance tax law shall be transmitted by the Tax Commissioner to the assessors of the various cities or towns; section 19 provides effective measures for securing the full return of all property held in the Commonwealth by executors, administrators and trustees; and, finally, the Tax Commissioner and his deputy or assistants are authorized to list for taxation in any city or town property not listed by the local assessors. If the tax is made reasonable in amount and uniform throughout the State, there should be a strict and uniform enforcement of the law. If this can be secured, the effect of the bill will be ultimately to increase the contribution which intangible property makes to the support of public charges.

What the financial results of the measure will be it is impossible to predict, since no one knows how much taxable property of an intangible character there is in the Commonwealth. The commission has estimated that about 45 per cent. of the assessment of personal property, exclusive of resident bank stock, consists of intangible property, and

that in 1906 the amount assessed approximated \$317,000,000. If this property paid the same average tax as the general mass of property subject to local taxation, it would have paid about \$5,380,000 of the \$11,865,000 collected from personal property in 1906; but as a matter of fact it paid much less than the average tax. Not less than \$110,000,000 of intangible property was assessed in Boston, where the tax rate was \$16 per \$1,000, as compared with an average tax of over \$17 per \$1,000 throughout the Commonwealth. Besides this, not less than \$80,000,000 and perhaps \$90,000,000 of intangible property was located in 31 towns in which the average rate of taxation was about \$12, or one-third less than the average for the Commonwealth. It is evident, therefore, that, although intangible property may have constituted 45 per cent. of the total personal property subject to local taxation, it contributed much less than 45 per cent. of the taxes collected upon personal estates. We may safely assume that intangible property did not contribute more than 40 per cent. of the \$11,865,000 collected from personal property in 1906, and may have paid approximately \$4,500,000. Whether the law proposed by the commission would yield more or less than this sum depends upon the amount of property that would be disclosed for taxation at the 3-mill rate.

In Baltimore the result of the law of 1896 was an increase of the assessment from \$6,000,000 to \$55,000,000 in the first year. It would be unsafe to predict that the immediate result would be equally striking in Massachusetts, because with us the taxation of intangible property has not been such a complete farce as it was in Maryland prior to 1896; but there can be no doubt that there would be a large increase in the assessment of intangible property, particularly under the stringent provisions which the commission has suggested for collecting the tax on corporation and municipal bonds, and from executors, administrators and trustees. In other cases a little time might be required for taxpayers and assessors to get accustomed to the new régime; but it is not to be doubted that,

with better machinery of assessment than exists in Pennsylvania and Maryland, we should see a rapid increase in the amount of property disclosed for taxation. If it is unsafe to predict that the assessment of intangible property would increase 800 per cent. in a single year, as it did in Baltimore in 1897, it is safe to predict that in ten years we should see some such increase as occurred in Baltimore subsequent to the year just mentioned. In that city, even after the initial impulse imparted by the law of 1896, the assessment of securities advanced in ten years from \$55,000,000 to over \$150,000,000. With the improved machinery proposed, we believe that, although the immediate result may be less striking, the ultimate outcome will be even better than that of the Maryland law. Massachusetts is a wealthier State than Maryland, and has a larger amount of taxable personal property. Our people are not less willing than the people of Baltimore to make reasonable contributions to the support of public charges. With improved methods of administering the law, the result of a moderate tax levied at a uniform rate on intangible property could not be less successful here than in our sister State.

In judging of the immediate effect of the proposed law, it should not be forgotten that the moneyed capital of bankers and brokers is left taxable at the full local rate. This property must have formed not less than 8 or 10 per cent. of the whole amount of intangible property assessed in 1906, and the revenue from this source would be in no wise affected by the measure proposed. We are dealing, therefore, with property which contributed about \$4,000,000 of the \$56,000,000 of taxes levied in 1906 upon the general mass of property in the Commonwealth.

It is possible to make a rough estimate of the probable yield of the taxes which would be deducted by corporations and by counties or municipalities from the interest on their outstanding bonds. In 1906 the aggregate indebtedness of public-service corporations organized in Massachusetts was \$231,000,000, and the interest-bearing debt of municipalities in the Commonwealth, exclusive of bonds held

in sinking funds, was over \$150,000,000. These two items amount to \$381,000,000; but it is necessary to make large deductions for bonds owned outside the Commonwealth, held by corporations not liable to taxation, and held by the Commonwealth in its various funds. When such deductions are made, it appears that not less than \$150,000,000, and perhaps as much as \$170,000,000, of the bonds of Massachusetts corporations and municipalities are owned by residents of the Commonwealth liable to taxation. At the rate of 3 mills it may be estimated that the law proposed by the commission would yield a revenue of not less than \$450,000 or more than \$500,000 from this source. At the present time it is believed that very few corporation bonds, and practically no municipal bonds, are returned for taxation in the Commonwealth; so that the revenue estimated above would be secured from property which now contributes substantially nothing.

In this connection a word should be said concerning the taxation of municipal bonds. The commission has elsewhere recommended that the Legislature exempt future issues of municipal bonds from taxation. If this is done, the bill would apply only to outstanding issues, which no one proposes to exempt from taxation, and the revenue derived from the 3-mill tax upon municipal bonds would gradually disappear as these issues mature. Any loss at this point would be more than made up by the increase in the yield of the tax from the bonds of Massachusetts corporations. With the tax reduced to 3 mills, a larger market would be created in Massachusetts for the bonds of domestic corporations, and the revenue would steadily increase.

In drafting the bill, the commission found some difficulty in deciding whether the tax on intangible property should be left as a local tax or should be made a State tax, the proceeds of which would be distributed in some equitable proportion among the several cities and towns. In favor of the proposal that the tax should be a State tax, it was urged that intangible property has been concentrated in a small number of towns largely by the operation of our tax laws, and that it is not just that these localities

should enjoy the whole revenue from property now found within their borders. On the other hand, it was argued that the effect of a uniform rate coupled with a uniform enforcement of the law would be to distribute this property in a more equitable manner, so that matters would gradually right themselves, even if the tax were made a local tax, as at present. The commission inclines to the latter view, but if experience shows that the uniform rate does not go to the root of the difficulty, it will be possible for the Legislature to take such further action as the situation may require.

The commission finds that fear is entertained that the proposed change in the tax on intangible property will affect the market for shares in the capital stock of domestic corporations. Such shares are exempt from taxation in the hands of the investor, since the property they represent is fully taxed under our laws for taxing corporate franchises. This fact has induced trustees and other investors to purchase large amounts of the shares of our public-service corporations, in preference to other securities liable to local taxation. The commission believes that this fear is not without justification, although opinions differ concerning the extent to which investments would be affected by the measure proposed. If the advantage in the holding of shares of domestic corporations over the holding of bonds or the shares of foreign corporations is materially lessened, the result might be to make it difficult for companies to raise the money necessary for the proper development of our transportation facilities and other public utilities. The obvious remedy for such a difficulty is to impose less severe conditions on the issue of new stock by public-service corporations, so that shares may be issued upon terms that will attract purchasers. Massachusetts investors have a natural preference for the securities of our own corporations, and this preference would be sufficient to insure such companies all needed capital, if stock could be issued upon equally favorable terms. This is a question which, in the judgment of the commission, will demand consideration before long, irrespective of changes

in the tax laws of the Commonwealth. It is, however, intimately connected with the question of taxation; and we are of the opinion that, if the 3-mill tax is to become a law, such changes should at the same time be made in the law relating to public-service corporations as will permit the issue of capital stock upon terms that will encourage investment in domestic transportation companies and other public utilities, notwithstanding the proposed reduction in the tax on foreign securities. We therefore recommend that this question be considered by the General Court, together with the plan for taxing intangible property.

The immediate duty of the commission, however, is to recommend desirable changes in the tax laws of the Commonwealth; and we recommend the taxation of intangible property at a uniform rate of 3 mills as the most practicable method of curing the chief evils in the present system. If this class of property is to be taxed at all, the rate must be uniform, and must be reduced to a moderate and reasonable figure; otherwise, there can be no remedy for the unsatisfactory conditions which are universally admitted to exist.

It has been suggested to the commission that there may be constitutional objections to the proposed reduction of the tax upon intangible property to the rate of 3 mills. The Constitution of the Commonwealth provides that "assessments, rates and taxes" must be "proportional;" and the Supreme Court has held in a number of cases that a tax, in order to be proportional, must be levied at the same rate upon all classes of property. But the Legislature has power to grant reasonable exemptions from taxation, and it is not improbable that it has power to exempt intangible property. In any case where it has power to grant total exemption, it undoubtedly has the power to exempt in part; and our tax laws have always contained provisions by which some classes of property have been taxed at a lower rate than others. This is true to-day of the income from annuities, the interest which any individual or partnership may have in ships or vessels engaged

in the foreign carrying trade, and of incomes from professions, trades or employments. There is a further probability that, if the question should be directly presented, the court would hold that the Legislature may classify property in a reasonable manner, provided that the tax is uniform upon all property of the same class. This conclusion is supported by the recent trend of judicial decisions in other jurisdictions, and particularly by the decisions of the Supreme Court of the United States.

But, while there is reason for thinking that the proposed law is constitutional, the commission believes that it should not be enacted until the Legislature secures the opinion of the Supreme Judicial Court, as it has authority to do. Serious complications might arise if the law should be enacted and subsequently declared invalid; and we believe that the only safe course is to ascertain the opinion of the court in advance.

If the court should decide that the proposed law is unconstitutional, the commission recommends that the Constitution of the Commonwealth be amended in such a way as to secure to the Legislature the right to classify property in a reasonable manner for the purposes of taxation. This is a course which not a few States have already taken, in order to free themselves from antiquated systems of taxation; and in at least three States the question is now before the people for consideration. At a recent conference held at Columbus, O., in which thirty-four States, including our own, were represented, the following resolution was unanimously adopted: —

Whereas, The greatest inequalities have arisen from laws designed to tax all the widely differing classes of property in the same way, and such laws have been ineffective in the production of revenue; and *whereas*, the appropriate taxation of various forms of property is rendered impossible by the restrictions upon the taxing power contained in the constitutions of many of the States;

Resolved, That all State constitutions requiring the same taxation of all property, or otherwise imposing restraints upon the reasonable classification of property, should be amended by the repeal of such restrictive provisions.

If it should be found that Massachusetts is bound to an antiquated system of taxation, which has never proved effective in reaching intangible property and has been productive of widespread injustice and demoralization, the Constitution of the Commonwealth cannot too soon be amended.

VI. SUPERVISION OF THE ASSESSMENT OF PROPERTY FOR TAXATION.

In its investigations the commission has been much impressed with the need of greater uniformity in methods of assessing property for taxation throughout the Commonwealth. The average board of assessors endeavors to perform its duties with fidelity and in compliance with law, but we find that there is great diversity of practice, which leads to many undesirable results. Real property is frequently undervalued; and this fact, despite the best efforts of the Tax Commissioner, produces inequality in the distribution of the State tax. Machinery and merchandise are assessed by no uniform rules, while in the taxation of intangible property the situation is little short of chaotic.

The commission of 1874, recognizing this evil, recommended that the Commonwealth should have an agent upon every board of assessors; and at various times since then proposals have been made for State supervision of the assessment of property for taxation. The Tax Commissioner now has an assistant whose duty it is to visit cities and towns, inspect the work of the assessors, and advise local boards in regard to their duties under the law. But one man cannot do all the work that is requisite, and he is not clothed with authority to enforce compliance with the law.

The commission, therefore, recognizing that no system of taxation can be effective unless the administration and enforcement of the law are made uniform throughout the Commonwealth, recommends a measure designed to extend the supervision now exercised by the State over the assessment of property.

Objection may be raised to any proposal to extend State

control of matters now entrusted to local authorities; but in this connection it should be pointed out that we are at the same time submitting a bill to provide for a uniform tax at the rate of 3 mills upon intangible property. We believe that this measure will remove all reasonable ground of objection to the proposal for State supervision of the assessment of property.

We recommend that the Tax Commissioner shall appoint twelve supervisors of assessors, who shall perform the duties now prescribed by section 5 of chapter 14 of the Revised Laws; and shall have certain further powers which seem necessary in order to secure uniformity in the assessment of property and strict compliance with the law. Chief among these additional powers is that of reviewing the valuation of all property assessed for taxation. It is not the expectation of the commission that such power will need to be exercised in any large number of cases, since the mere fact that it exists is likely to remove occasion for exercising it; but we believe it to be a necessary part of any successful scheme of State supervision. The bill submitted provides, furthermore, that all information coming to the Tax Commissioner's office concerning property taxable in the Commonwealth shall be distributed among local boards of assessors, thereby saving such boards considerable trouble and expense.

In the bill providing for a uniform tax on intangible property, section 17 gives the Tax Commissioner authority to list for taxation any such property omitted by the local assessors, and for that purpose to appoint such assistants as are necessary; but if the bill here proposed for State supervision is adopted, then that section of the bill for taxing intangible property would be unnecessary.

VII. THE COMPENSATION OF ASSESSORS.

Another matter worthy of the attention of the Legislature is the compensation of assessors. Section 99 of chapter 12 of the Revised Laws provides that: "Each assessor shall be paid by his city or town two dollars and fifty cents a day for every whole day in which he is employed in that

service, and such additional compensation as the city or town shall allow." This minimum wage of \$2.50 a day was established in 1873; previous to that time it had been \$1.50. The intent of the law evidently was to provide that assessors should receive not less than the wages of a skilled mechanic; and with the prevailing rates of wages in 1873 the statute probably had that effect. Since that time general standards of wages have advanced, so that the stated wage of \$2.50 is to-day nearer the wage of a common laborer than that of a skilled workman in ordinary occupations. Towns and municipalities have steadily increased the wages paid for unskilled labor, but some of them pay assessors nothing more than the minimum compensation which the law prescribes. The commission believes that the State cannot afford to have work requiring skill and experience performed by men who may receive but \$2.50 per day, and recommends that the minimum compensation of assessors be advanced to \$3.50 per day.

VIII. EXEMPTION OF COUNTY AND MUNICIPAL BONDS FROM TAXATION.

The exemption from taxation of the bonds of the Commonwealth has met with general approval, and has increased the demand for such securities to such an extent as, in the opinion of the Treasurer and Receiver-General, to reduce the interest on the same nearly one-quarter of one per cent. This successful experiment has resulted in a very general demand for similar exemption of the bonds and notes of counties, cities and towns.

Petitions signed by the mayors, treasurers and selectmen of various cities and towns in the State, requesting the commission to recommend such exemption, have been received, and are now on file; and at a public hearing given on that subject strong arguments were presented in favor of such a recommendation.

The fact that the city of Boston was unable to sell its bonds in large numbers was cited as evidence that, although people were very willing to invest in such securities, they

could not do so if they were called upon to pay a tax of \$16 on every \$1,000 bond. It was also shown to the commission that in none of our cities and towns are these securities taxed to any appreciable extent.

The commission is satisfied that the time is opportune to exempt this class of securities from all taxation; and therefore recommends the passage of a law to that effect, and suggests the accompanying bill.

IX. MUNICIPAL TAXATION AND FINANCE.

The resolve authorizing the appointment of the commission provided that it should investigate "the whole subject of taxation in this Commonwealth," including "municipal taxes." Hearings have been given upon questions of municipal taxation and finance; but it has been impossible, in the time at our disposal, to give much attention to those subjects. This the commission regrets, because such study as it has been able to make shows that the subject deserves most careful consideration. We find that during the last sixteen years county, city and town taxes have increased 80 per cent., while the net indebtedness of cities and towns has increased over 110 per cent. The statistics are so striking that they are presented here:—

Table showing Local Debts and Taxes in Selected Years.

YEAR.	Net Indebtedness.	Local Taxes.
1871,	\$39,400,000	\$19,600,000
1874,	64,900,000	26,700,000
1880,	68,500,000	22,800,000
1890,	70,700,000	29,800,000
1900,	131,000,000	46,400,000
1906,	150,900,000	54,400,000

It will be observed that from 1871 to 1874 the increase of local taxes and indebtedness was very rapid, and that during the next six years there was a period of retrenchment, during which the burden of taxation was reduced, while the net indebtedness remained almost stationary.

From 1880 to 1890 there was a steady increase of local taxes, amounting to about 30 per cent., but the net indebtedness continued stationary. During the last sixteen years both debts and taxes have increased at unprecedented figures, and there seems to be every reason for investigation of the causes which have brought this about.

The power of municipalities to incur debt has for many years been limited by statute, and in a similar manner restrictions have been placed upon the rate of taxation that may be levied for local purposes. The commission finds that serious doubt is entertained concerning the effect of these restrictions.

The wisdom of limiting the power of municipalities to incur debt is not often questioned, but we find that the Legislature has in so many cases authorized municipalities to borrow money in excess of the statutory limitation that the restraint has not proved as effective as could be desired. It has been suggested, therefore, that it may be wise to amend the Constitution of the Commonwealth in such a way as to make it impossible for municipalities, with or without the consent of the Legislature, to borrow money in excess of a certain percentage of the assessed value of property. We have been unable to give this question sufficient study to justify us in making any recommendation, but we find in the statistics of municipal indebtedness above presented ample ground for believing that the present restrictions are insufficient, and that there is need of a thorough investigation of the subject.

The wisdom of the present restrictions upon the rates of municipal taxation is also open to question. It is thought by many that it is unwise to impose any limitation upon local tax rates, because it is believed that municipal extravagance, when clearly reflected in increased taxes upon property, tends to cure itself by obliging taxpayers to take an intelligent interest in municipal affairs. However this may be, it is certain that the maximum rates authorized by the present law are so low that not a few cities are virtually compelled to borrow money for current expenses. Here, again, the commission is unable to make

a specific recommendation, but we believe that a thorough investigation should be made of the working of the present limitation upon municipal tax rates. We therefore recommend that the General Court give this matter careful consideration.

X. TAX ON TRANSFERS OF STOCK.

The attention of the commission has been called to the advisability of introducing in this Commonwealth a tax on transfers of stock. In 1905 such a tax was established in New York, and that State is now deriving a revenue of several million dollars annually from this source. In Massachusetts it is estimated that a tax on transfers would yield approximately \$250,000.

After careful consideration, the commission has reached the conclusion that Massachusetts ought not necessarily to follow the example of New York. The transactions reached by such a tax are concentrated in a few cities which carry on the financial business of the United States; and, if the States in which those cities are located tax transfers of stock, they are virtually taxing the business of the entire country, as New York is now doing. No argument seems needed to show that such a situation would be most unjust and unfortunate.

The commission is further of the opinion that in ordinary times it is unwise to place a tax upon commercial or financial transactions. It has always been a tradition of American finance that stamp taxes should be reserved for use in time of war or other fiscal emergency; and the commission believes that this policy is inherently sound, and fully justified by its results. Speculation on the stock exchanges undoubtedly has its undesirable features; but it has also the legitimate and extremely important function of establishing a broad and comparatively stable market for securities, without which modern industry would be brought to a standstill. In performing this function the exchanges should not be hampered by a form of taxation inconvenient in its operation, unequal in its incidence, and opposed to American traditions of commercial freedom.

XI. TAXATION OF THE PROPERTY OF EDUCATIONAL INSTITUTIONS.

The commission has given hearings upon the subject of exempting from taxation the property of educational institutions. This question has been carefully considered by previous commissions, particularly the Joint Special Committee of 1906; and the present commission has come to the same conclusions as its predecessors.

There seems to be nothing in the financial condition or prospects of the college cities and towns which calls for a change in the established policy of the Commonwealth; and it is, upon all accounts, undesirable to impose new burdens upon our educational institutions. The commission recommends, therefore, that the law relating to this subject remain unchanged.

XII. CODIFICATION AND REVISION OF THE LAWS RELATING TO TAXATION.

The resolve under which the commission was appointed provided that it should codify, revise and amend the laws relating to taxation.

No attempt has been made to amend the laws of taxation in this codification, but in a few instances, where changes have seemed necessary to bring the laws into harmony, or where a palpable error has crept into the statutes, we have called attention to the facts by footnotes, and suggested proper amendments.

GUY W. COX,
WILLIAM J. BULLOCK,
CHARLES V. BLANCHARD,
SAMUEL H. MILDRAH,
CLARENCE J. FOGG,
RICHARD S. TEELING,
CHARLES J. BULLOCK,
BERNARD EARLY,
H. HUESTIS NEWTON,

Commissioners.



APPENDIX

APPENDIX A.

AN ACT RELATING TO CERTAIN CORPORATE FRANCHISE TAXES.

Be it enacted, etc., as follows:

SECTION 1. All corporate franchise taxes now levied upon and paid into the treasury of the Commonwealth by any railroad corporation or telephone or telegraph corporation shall hereafter be retained in the treasury of the Commonwealth, and shall be a part of the ordinary revenue, to be used for such general or special purposes as the general court shall determine.

SECTION 2. All acts or parts of acts inconsistent herewith are hereby repealed.

SECTION 3. This act shall take effect upon its passage.

APPENDIX B.

AN ACT RELATIVE TO THE DISTRIBUTION OF THE FRANCHISE TAX OF BUSINESS CORPORATIONS.

Be it enacted, etc., as follows:

Section eighty-six of chapter four hundred and thirty-seven of the acts of the year nineteen hundred and three is hereby amended by inserting after the word "franchises," at the end of the first sentence, the words:—one half of. Said section is further amended by inserting after the word "respectively," at the end of the second sentence, the words:—The other half of said proportion shall be distributed, credited and paid to the city or town where the business of the corporation is carried on, and if a corporation maintains an office, store or factory in more than one city or town this part of the tax shall be distributed, credited and paid to such cities and towns in proportion to the amount of tangible property of such corporations in such city or town on the first day of May. Said section is further amended by inserting after the word "trustees," in the third sentence, the words:—one half of. Said section as amended shall read as follows:—*Section 86.* No taxes shall be assessed in a city or town for state, county or town purposes upon the shares in the capital stock of domestic corporations for any year for which they pay to the treasurer and receiver-general a tax on the value of their corporate franchises. One half of such proportion of

the tax collected of each of said corporations as corresponds to the proportion of its stock owned by persons residing in this Commonwealth shall be distributed, credited and paid to the several cities and towns in which, from the returns or other evidences, it appears that such persons resided on the preceding first day of May, according to the shares so held in such cities and towns respectively. The other half of said proportion shall be distributed, credited and paid to the city or town where the business of the corporation is carried on, and if a corporation maintains an office, store or factory in more than one city or town this part of the tax shall be distributed, credited and paid to such cities and towns in proportion to the amount of tangible property of such corporations in such city or town on the first day of May. If stock is held by co-partners, guardians, executors, administrators or trustees, the proportion of tax corresponding to the amount of stock so held shall be credited and paid to the cities and towns where stock would have been taxed under the provisions of clauses four, five, six and seven of section twenty-three and section twenty-seven of chapter twelve of the Revised Laws.

APPENDIX C.

AN ACT RELATIVE TO CERTIFICATES AND RETURNS OF FOREIGN CORPORATIONS.

Be it enacted, etc., as follows:

Section sixty-six of chapter four hundred and thirty-seven of the acts of the year nineteen hundred and three is hereby amended by adding at the end thereof the words:— Every foreign corporation which has property within the Commonwealth subject to taxation under the laws thereof shall annually, between the first and the tenth days of May, prepare and file in the office of the tax commissioner a return in such form as the tax commissioner may prescribe, signed and sworn to by its treasurer, showing in detail all its property, real and personal, subject to local taxation within the Commonwealth on the said first day of May, and the location and value thereof,— so as to read as follows:— *Section 66.* Every foreign corporation of the classes described in section fifty-eight shall annually, within thirty days after the date fixed for its annual meeting last preceding the date of such certificate, or within thirty days after the final adjournment of said meeting, but not more than three months after the date so fixed for said annual meeting, prepare and file in the office of the secretary of the Commonwealth, upon payment of the fee hereinafter provided, a certificate signed and sworn to by its presi-

dent, treasurer, and by a majority of its board of directors, showing the amount of its authorized capital stock, and its assets and liabilities as of a date not more than sixty days prior to said annual meeting, in such form as is required of domestic corporations under the provisions of section forty-five, and the change or changes, if any, in the other particulars included in the certificate required by section sixty made since the filing of said certificate or of the last annual report. Every foreign corporation which has property within the Commonwealth subject to taxation under the laws thereof shall annually, between the first and the tenth days of May, prepare and file in the office of the tax commissioner a return in such form as the tax commissioner may prescribe, signed and sworn to by its treasurer, showing in detail all its property, real and personal, subject to local taxation within the Commonwealth on the said first day of May, and the location and value thereof.

APPENDIX D.

AN ACT ESTABLISHING A UNIFORM TAX ON CERTAIN CLASSES OF PERSONAL PROPERTY.

Be it enacted, etc., as follows:

SECTION 1. Personal property of the classes hereinafter enumerated belonging to the inhabitants of the Commonwealth is hereby exempted from all taxation other than that imposed by this act, and shall hereafter be subject to an annual tax of three mills on each dollar of the fair cash value thereof, viz.:—

(1) Money on hand, on deposit, or at interest, and other debts due the person to be taxed more than he is indebted or pays interest for; but not including in such debts due him or indebtedness from him any loan on mortgage of real estate, taxable as real estate, except the excess of such loan above the assessed value of the mortgaged real estate.

(2) Public stocks and securities, except bonds issued by the Commonwealth since January first, nineteen hundred and six.

(3) All stocks, bonds and notes or other evidences of indebtedness of all corporations within or without the Commonwealth, except shares in the capital stock of domestic corporations, national banks, foreign corporations taxed on their capital stock in the Commonwealth in the manner prescribed for domestic corporations, and insurance companies paying an excise to the Commonwealth on insurance in force or premiums collected within the Commonwealth.

But nothing in this section shall apply to money, credits or stocks, bonds and other securities which are the moneyed capital

of any banker or broker; nor shall the section be so construed as to make taxable at the rate of three mills any property now exempt from taxation.

SECTION 2. The tax upon the classes of property enumerated above shall be assessed to the owner in the city or town in which he is an inhabitant on the first day of May; and the assessment shall follow the rules prescribed in the fourth, fifth, sixth, seventh, eighth and ninth clauses of section twenty-three of chapter twelve of the Revised Laws, as well as the rules prescribed by sections twenty-four, twenty-five, twenty-six and twenty-seven of said chapter.

SECTION 3. Before making an assessment of property of the classes enumerated in section one, assessors shall give seasonable notice to the inhabitants of their respective cities and towns, in the manner prescribed in section forty-one of chapter twelve of the Revised Laws. They shall require the inhabitants to bring in to the assessors, before a date therein specified, and not later than the first day of July, a true list of their personal estate of the classes enumerated in section one and not exempt from taxation. But in his list or return of property taxable under this act the taxpayer shall not return taxable public stocks and securities issued by municipalities and counties in the Commonwealth, or bonds, notes and other evidences of indebtedness of corporations organized under the laws of the Commonwealth.

SECTION 4. The tax commissioner shall annually prepare instructions for bringing in the lists required by the preceding section. He shall prepare a form for the returns which taxpayers are required to make by this act, and this form shall be printed on a separate sheet, and shall be entirely distinct from the forms prepared for the returns of other classes of property. This form shall require the taxpayer to make a return of the total amount of his taxable property of each of the following classes:—

- (1) Money on hand, on deposit or at interest.
- (2) Other debts due the person to be taxed more than he is indebted for, but not including in such debts due him or indebtedness from him any loan on mortgage of real estate taxable as real estate, except the excess of such loan above the assessed value of the mortgaged real estate.
- (3) Public stocks and securities; except bonds or other evidences of indebtedness of counties and municipalities in the Commonwealth, and bonds issued by the Commonwealth since January first, nineteen hundred and six.
- (4) Stocks of corporations; except shares in the capital stock of domestic corporations, national banks, foreign corporations taxed on their capital stock in the Commonwealth in the manner prescribed for domestic corporations, and insurance companies

paying an excise to the Commonwealth on insurance in force or premiums collected within the Commonwealth.

(5) Bonds, notes and other evidences of indebtedness of all corporations not organized under the laws of the Commonwealth.

The taxpayer shall not be required to return in detail the items constituting the total amount of taxable property listed in each class.

The tax commissioner shall cause to be printed and shall furnish to the assessors in each city or town blank lists for the return of property taxable under this act, and the assessors shall distribute said lists to every person liable to taxation.

SECTION 5. The assessors shall in all cases require a person bringing in a list to make oath that it is true, and this oath shall be made as prescribed in section forty-three of chapter twelve of the Revised Laws. Such lists shall be open to the inspection of the assessors, their assistants and clerks, and of the tax commissioner, his deputies, assistants and clerks, when acting under his authority. But the details of the lists made by taxpayers shall be disclosed to no other person except by order of court; and any assessor or other person who shall disclose such details shall be liable to a fine of not less than one hundred nor more than five hundred dollars. The lists shall be preserved by the assessors until the tax commissioner orders them to be destroyed.

SECTION 6. The assessors shall receive as true, except as to valuation, the list brought in by each person, unless on being thereto required by the assessors he refuses to answer on oath all reasonable and necessary inquiries as to the nature and amount of his property taxable under the provisions of this act.

SECTION 7. They shall ascertain as nearly as possible the particulars of the personal estate subject to taxation under this act of any person who has not brought in such list, and shall estimate its just value, according to their best information and belief. They shall also add thereto fifty per cent. of the estimated value of such property as a penalty; and such estimate, with the penalty of fifty per cent., shall be entered in the valuation books, and, except as provided in sections seventy-three and seventy-four of chapter twelve of the Revised Laws, shall be conclusive upon any person who has not seasonably brought in a list of his estate, unless he can show a reasonable excuse for the omission.

SECTION 8. In making such estimate the assessors shall specify the amount of each class of property taxable under this act, as enumerated in section four, and shall enter the same upon the books furnished under the provisions of section ten. An error or over-estimate of any class shall not be taken into account in determining whether a person is entitled to an abatement, but only the aggregate amount of such estimate.

SECTION 9. After property taxable under the provisions of this act has been legally assessed in any city or town to any inhabitant of the Commonwealth, including any executor, administrator or trustee, an amount not less than that last assessed by the assessors of such city or town in respect of such property shall be deemed to be the sum assessable, until a true list of such property is brought in to the assessors in accordance with the provisions of section three of this act. When a person liable to be taxed for personal property included within the provisions of this act changes his domicile, the assessors of the city or town to which he removes shall assess him for an amount not less than that for which he was assessed in the city or town from which he removes, until he files the list required by section three of this act. The duties of assessors under this section shall be the same as prescribed in section ninety-two of chapter twelve of the Revised Laws; and whoever neglects to perform any duty imposed upon him by this section shall be punished by a fine of not less than fifty nor more than two hundred dollars.

SECTION 10. Property taxable under this act shall not be included in the valuation list which assessors are required to make under the provisions of sections fifty-six, fifty-seven, fifty-eight and fifty-nine of chapter twelve of the Revised Laws; but it shall be listed in a separate book which the secretary of the Commonwealth shall provide for each city or town annually on or before the first day of May. This book shall show the total amount of property of each class assessed to each taxpayer under the provisions of this act, and shall not disclose further details of his assessment. When making the return to the secretary of the Commonwealth provided for by sections sixty, sixty-one and sixty-two of chapter twelve of the Revised Laws, assessors shall return also an attested copy of the lists of persons and property taxed under the provisions of this act. Such copy shall contain the number of individuals, firms, associations, trustees, etc., assessed for such property, and the total amount of each class of property, as well as the aggregate of all classes of property taxed under the provisions of this act. And the secretary of the Commonwealth, when compiling the returns required by section sixty-three of chapter twelve of the Revised Laws, shall include, under a separate heading, the aggregate assessment in each city or town of property taxed under the provisions of this act.

SECTION 11. At the end of the valuation lists required by the preceding section, the assessors, or other persons authorized to assess taxes in a city or town, shall subscribe and take the oath prescribed by section sixty-five of chapter twelve of the Revised Laws; and for failure to take and subscribe said oath shall be punished by a fine of ten dollars; but said failure shall not render invalid a tax otherwise legally assessed.

SECTION 12. Whoever evades taxation upon property subject to the provisions of this act, in any of the ways specified in sections twenty-nine, thirty, thirty-one or thirty-two of chapter twelve of the Revised Laws, shall be subject to the penalties prescribed respectively by those sections; and any assessor guilty of making or assenting to any proposal for the evasion of taxation shall be subject to the penalty prescribed in section twenty-nine of chapter twelve of the Revised Laws. And the provisions of section thirty-three of said chapter shall apply to the assessment of persons liable to taxation under the provisions of this act.

SECTION 13. Tax lists and warrants for the collection of the tax authorized by this act shall be committed to collectors of taxes within a reasonable time, and subject to all the conditions and requirements prescribed in sections sixty-seven, sixty-eight, sixty-nine and seventy of chapter twelve of the Revised Laws. But the tax list prescribed in section sixty-eight of said chapter shall include in a separate column the amount of the tax on the classes of property subject to the provisions of this act.

SECTION 14. The provisions of sections seventy-one to eighty-four, inclusive, and sections eighty-six, eighty-seven and ninety-one of chapter twelve of the Revised Laws shall apply, in so far as they relate to personal property, to all taxes levied in accordance with this act.

SECTION 15. In the apportionment of the state tax the tax commissioner shall include in the valuation of taxable property in each city or town all property assessed under this act.

SECTION 16. In computing the rate of the tax to be levied on corporate franchises the tax commissioner shall omit from the aggregate valuation of all cities and towns all property taxed under this act, and shall omit from the whole amount of money to be raised by taxation upon property in the Commonwealth the taxes assessed under this act.

SECTION 17. The tax commissioner, or his deputy, and the first assistant tax commissioner, are hereby authorized to list for taxation in any city or town property subject to taxation under this act and not listed by the assessors in such city or town; and they are further authorized to revise the valuation of such property. A person aggrieved by the taxes assessed upon him in accordance with the provisions of this section may apply to the tax commissioner for an abatement thereof, or may appeal to the superior court of the county in which he is assessed. In order to carry out the provisions of this section, the tax commissioner is authorized to appoint permanent clerks, who shall receive such compensation as may be fixed by the governor and council.

SECTION 18. It shall be the duty of the tax commissioner, from time to time, to send, by registered letter, to the assessors in each

city or town in the Commonwealth the names of all persons having a residence in said city or town, who, from the returns made by executors, administrators and trustees under the provisions of chapter five hundred and sixty-three of the acts of the year nineteen hundred and seven, shall appear to have any beneficial interest in any estate passing by will, or by the laws regulating intestate succession, or by deed, grant or gift; and in the discharge of this duty he shall have authority, with the advice and consent of the governor and council, to appoint one assistant, at such salary as may be fixed by the governor and council; and he shall further have authority to appoint such permanent clerks as he may need to assist in carrying out the provisions of this section. It shall further be the duty of the tax commissioner to transmit to the assessors in each city or town in the Commonwealth any other information that may come to his office concerning property taxable under this act in said city or town.

SECTION 19. Every executor, administrator and trustee in the Commonwealth shall file with the tax commissioner his name and residence, as well as the name and residence of every person having a beneficial interest in any personal estate under his charge, on or before the first day of May in each year. If any executor, administrator or trustee fails to register with the tax commissioner on or before the first day of May in any year, as herein required, he shall be fined, except during the first year in which this act is in force, a sum not more than five hundred dollars; and no final account of an executor, administrator or trustee shall be allowed by the probate court unless such account shows, and the judge of said court finds, that the taxes imposed by this act have been paid in every year for which they were due. It shall be the duty of the tax commissioner, on or before the first day of June in each year, to transmit to each city or town in the Commonwealth the name of every resident of said city or town having a beneficial interest in any personal estate under the charge of any executor, administrator or trustee, as well as the name and residence of said executor, administrator or trustee.

SECTION 20. In assessing taxes under the provisions of section thirty-seven of chapter twelve of the Revised Laws, the assessors in any city or town shall include in the estimated receipts lawfully applicable to the payment of expenditures the amount received during the previous year from taxes levied in accordance with this act. But in the year nineteen hundred and nine they shall include in said estimated receipts not more than ninety per cent. of the taxes payable in respect to property assessed under this act prior to the fifteenth day of August in said year.

SECTION 21. All taxes assessed in accordance with this act, except as provided in section twenty-two, shall be collected as

provided in chapter thirteen of the Revised Laws; and all the provisions of said chapter, in so far as they relate to personal property, shall apply to taxes assessed under this act.

SECTION 22. On and after the first day of January of the year nineteen hundred and nine, the treasurer of each county, city and town in the Commonwealth, when paying interest upon any bond, note or other evidence of indebtedness, due to residents of the Commonwealth liable to taxation, shall deduct the tax imposed by this act; and the nominal or face value of said bond, note or evidence of indebtedness shall be taken to be the fair cash value thereof. And in paying interest upon any coupon bonds said treasurer shall deduct a proportionate part of the tax, as herein required, unless the owner thereof shall duly certify on oath that he is not a resident of the Commonwealth; or unless it shall be so certified that the bonds are the absolute property of a person, society or association exempt from taxation under the provisions of section five of chapter twelve of the Revised Laws; or that they are the absolute property of a corporation not liable to taxation in this Commonwealth upon its personal property. In the absence of affirmative proof to the contrary, all bonds, notes or evidences of indebtedness of counties, cities or towns, whether the interest is payable by coupon or otherwise, shall be assumed to be owned by residents of the Commonwealth. Nothing in this section shall be construed to apply to any bonds, notes or other evidences of indebtedness issued by any county, city or town, and held in its sinking fund; or to any of said bonds, notes or evidences of indebtedness held by the Commonwealth in any of its funds. The treasurer of each county in the Commonwealth shall remit to the treasurer and receiver-general, on or before the fifteenth day of October in each year, all taxes deducted under the provisions of this section; and on or before the same date shall report on oath to the tax commissioner the names and addresses of all residents of the Commonwealth owning bonds other than coupon bonds, or notes and other evidences of indebtedness of said county. The treasurer of each city or town in the Commonwealth shall retain for the use of said city or town all taxes deducted from interest paid on bonds other than coupon bonds, or on notes and other evidences of indebtedness owned by residents of said city or town; and, on or before the fifteenth day of October in each year, shall remit to the treasurer and receiver-general all other taxes deducted in accordance with the provisions of this section. And on or before the same date the treasurer of each city or town shall report on oath to the tax commissioner the names and addresses of all residents of the Commonwealth, other than residents of said city or town, owning bonds other than coupon bonds, or notes and other evidences of indebtedness of said city or town.

SECTION 23. On and after the first day of January in the year

nineteen hundred and nine the treasurer of every corporation organized under the laws of the Commonwealth, when paying interest upon any bond, note or other evidence of indebtedness owned by residents of this Commonwealth liable to taxation, shall deduct a proportionate part of the tax imposed by this act; and for the purpose of this act the nominal or face value of said bond, note or other evidence of indebtedness shall be taken to be the fair cash value thereof. And in paying the interest upon any coupon bond the said treasurer shall deduct the tax as herein required, unless the owner thereof shall certify on oath that he is not a resident of the Commonwealth; or unless it shall be so certified that the bonds are the absolute property of a person, society or association exempt from taxation under the provisions of section five of chapter twelve of the Revised Laws; or that they are owned by a corporation not liable to taxation in this Commonwealth upon its personal property. In the absence of affirmative proof to the contrary, all bonds, notes or other evidences of indebtedness, whether the interest is payable by coupon or otherwise, shall be assumed to be owned by residents of the Commonwealth. Nothing in this section shall be construed to apply to any bonds, notes or other evidences of indebtedness of any corporation which may be held by the Commonwealth, or by any county, city or town in its funds. The treasurer of every corporation shall remit to the treasurer and receiver-general, on or before the fifteenth day of October in each year, all taxes deducted under the provisions of this section; and for failure to deduct and pay the tax as required in this act the treasurer and receiver-general shall, as a penalty, add twelve per cent. per annum to the sum which the delinquent corporation is required to remit to the treasury of the Commonwealth. And it shall be the duty of the treasurer of every corporation to report on oath to the tax commissioner on or before the fifteenth day of October in each year the names and addresses of the owners of all bonds, notes or other evidences of indebtedness issued by said corporation, other than bonds upon which interest is payable by coupon; and whenever a corporation pays any interest which has accrued upon its bonds, notes or other evidences of indebtedness in any prior year, except any year preceding that in which this act shall take effect, the said corporation shall deduct the tax for each year in which the accrued interest remained unpaid.

SECTION 24. On or before the first day of November in each year the treasurer and receiver-general shall distribute to each city or town in the Commonwealth all taxes paid into the treasury, in accordance with sections twenty-one and twenty-two of this act, in respect of bonds other than coupon bonds, or notes and other evidences of indebtedness, owned by residents of said city or

town; but taxes collected upon coupon bonds shall be retained for the use of the Commonwealth.

SECTION 25. Section four of chapter twelve of the Revised Laws is hereby amended by striking out the whole of said section, and inserting in place thereof the following:—Personal estate for the purpose of taxation shall include all goods, chattels, ships and vessels at home or abroad, except those engaged in the foreign carrying trade, and other personal estate not exempted from taxation; and shall include the moneyed capital of bankers or brokers, the income from an annuity, and the excess above two thousand dollars of the income from a profession, trade or employment accruing to the person to be taxed during the year ending on the first day of May of the year in which the tax is assessed; but incomes derived from property subject to taxation shall not be taxed.

SECTION 26. Section twenty-three of chapter twelve of the Revised Laws is hereby amended by inserting in the first line of the first clause thereof, after the words “other stock in trade,” the words:—including the moneyed capital of all bankers or brokers; and by inserting in the seventh line, after the word “stores,” the word:—offices,—so that said section shall read as follows:—First, the goods, wares, merchandise and other stock in trade, including the moneyed capital of all bankers or brokers, except ships or vessels owned by a co-partnership, and stock employed in the business of manufacturing or of the mechanic arts in cities or towns in the Commonwealth, other than those in which the owners reside, whether such owners reside within or without the Commonwealth, shall be taxed in the cities or towns in which the owners hire or occupy manufactories, stores, offices, shops or wharves, whether such property is in said place or elsewhere on the first day of May of the year when the tax is assessed.

SECTION 27. This act shall take effect on the first day of January, nineteen hundred and nine.

APPENDIX E.

AN ACT TO PROVIDE FOR THE MORE EFFECTIVE ADMINISTRATION OF THE LAWS RELATING TO TAXATION.

Be it enacted, etc., as follows:

SECTION 1. The tax commissioner may, with the advice and consent of the governor and council, appoint, and with their consent remove, twelve supervisors of assessors, who, under the direction and control of the tax commissioner, shall have such supervision over the boards of assessors and collectors of taxes of the

several cities and towns of the Commonwealth as is authorized by law. Each supervisor of assessors shall receive such compensation as the tax commissioner, with the approval of the governor and council, shall determine, and shall be allowed his travelling and other necessary expenses.

SECTION 2. The supervisors of assessors shall perform, subject to the control, approval and direction of the tax commissioner, all the duties imposed upon said tax commissioner by section five of chapter fourteen of the Revised Laws, and such additional duties as may be provided in this act, and shall have and exercise under the control of said tax commissioner all his powers and authority as to the taxation of property and the collection of taxes thereon imposed by law.

SECTION 3. Whenever it shall appear to the tax commissioner or a supervisor of assessors that the property or any part thereof in any city or town is not valued for the purposes of taxation in accordance with the provisions of law, and that such failure to comply with the law is the result of inadequate methods in keeping the records of valuation or ownership of property, or is due to a failure upon the part of the assessors or any of them of such city or town to properly examine the records of the registry of deeds and probate court or to make use of the information required by law to be furnished to boards of assessors by the tax commissioner, he shall forthwith direct the assessors of said city or town to adopt such methods of keeping their records or to make such examination of the records of the registry of deeds and probate court or to make such use of the information that he, in accordance with law, has furnished them, as he may deem necessary. Failure on the part of any assessor to comply with the directions of the tax commissioner or supervisors of assessors as herein provided shall make such assessor liable to the penalties imposed by section thirty-nine of chapter twelve of the Revised Laws.

SECTION 4. The supervisors of assessors shall, under the direction of the tax commissioner, on or before the first day of May in each year, furnish to each board of assessors of the cities and towns of the Commonwealth all the information relating to the assessment, valuation and ownership of property of any inhabitant of said city or town that has come into possession of the tax commissioner's department, particularly under the provisions of chapter five hundred and sixty-three of the acts of the year nineteen hundred and seven. They shall have authority, under the direction of the tax commissioner, to revise the valuation of all property for the purposes of taxation; and any person aggrieved by such revision may appeal to the superior court for the county in which the property is situated. They shall render to said boards of assessors such further instruction and supervision as to their

respective duties as may be necessary to secure uniform assessment and just taxation and to equalize the valuation of property for purposes of state, county and local taxes.

SECTION 5. This act shall take effect upon its passage.

APPENDIX F.

AN ACT RELATIVE TO THE POWERS OF THE TAX COMMISSIONER.

Be it enacted, etc., as follows:

Section five of chapter fourteen of the Revised Laws is hereby amended by adding at the end of said section the following:— He or his deputy shall give their opinion to assessors and collectors upon any question arising under any statute relating to the assessment and collection of taxes, and may advise and consult with the attorney-general upon all questions arising under this provision,—so that said section shall read as follows:—*Section 5.* He or his deputy may visit any city or town, inspect the work of its assessors and give to them such information and require of them such action as will tend to produce uniformity in valuation and assessments throughout the Commonwealth. He or his deputy may cause an assessor who violates any of the laws relative to the assessment of taxes for which a penalty is imposed to be prosecuted, either in the county in which said officer resides or in an adjoining county. He or his deputy may appear before the superior court or any board of county commissioners sitting for the abatement of taxes. He and his deputy shall be allowed their reasonable travelling expenses incurred under the provisions of this section. He or his deputy shall give their opinion to assessors and collectors upon any question arising under any statute relating to the assessment and collection of taxes, and may advise and consult with the attorney-general upon all questions arising under this provision.

APPENDIX G.

AN ACT RELATIVE TO THE COMPENSATION OF ASSESSORS.

Be it enacted, etc., as follows:

Section ninety-nine of chapter twelve of the Revised Laws is hereby amended by striking out the word “two,” in the second line of said section and inserting in place thereof the word:— three,—so as to read as follows:—*Section 99.* Each assessor shall be paid by his city or town three dollars and fifty cents a day for every whole day in which he is employed in that service, and such additional compensation as the city or town shall allow.

APPENDIX H.

AN ACT TO EXEMPT FROM TAXATION FUTURE ISSUES OF MUNICIPAL AND COUNTY BONDS.

Be it enacted, etc., as follows:

SECTION 1. Bonds or certificates of indebtedness of any county, city or town in the Commonwealth issued since the first day of January in the year nineteen hundred and nine, or which may hereafter be issued, shall be exempt from taxation for state, county, city or town purposes. Such bonds or certificates of indebtedness shall state upon their face that they are exempt from taxation in Massachusetts.

SECTION 2. This act shall take effect upon its passage.

APPENDIX I.

TABLE SHOWING THE DISTRIBUTION OF RAILROAD, TELEPHONE AND TELEGRAPH TAXES; ALSO, THE APPORTIONMENT OF THE STATE TAX FOR 1907 TO EACH CITY AND TOWN.

Of the \$1,881,341 paid into the treasury of the Commonwealth on corporate franchise taxes by railroad, telegraph and telephone corporations in 1907, \$1,068,393 was distributed to the cities and towns on the basis of ownership of stock by inhabitants of the Commonwealth. The subjoined table shows the amount distributed to each city or town, as well as the amount paid by each city or town as its quota of the State tax.

Railroad, Telephone and Telegraph Taxes, 1907.

Abington, . . .	\$266 21.1	Auburn, . . .	\$131 22.9
Acton, . . .	495 49.8	Avon, . . .	190 05.6
Acushnet, . . .	17.1	Ayer, . . .	455 00.6
Adams, . . .	56 16.8		
Agawam, . . .	413 87.1	Barnstable, . . .	3,158 18.7
Alford, . . .	-	Barre, . . .	374 22.5
Amesbury, . . .	417 44.4	Becket, . . .	84 14.4
Amherst, . . .	533 00.9	Bedford, . . .	332 06.3
Andover, . . .	5,229 19.0	Belchertown, . . .	45 66.8
Arlington, . . .	2,610 30.9	Bellingham, . . .	2 13.0
Ashburnham, . . .	91 34.9	Belmont, . . .	2,476 19.9
Ashby, . . .	356 95.6	Berkley, . . .	60 61.4
Ashfield, . . .	45 66.5	Berlin, . . .	34 99.0
Ashland, . . .	119 97.5	Bernardston, . . .	329 23.6
Athol, . . .	376 64.9	BEVERLY, . . .	9,734 00.5
Attleborough, . . .	308 05.6	Billerica, . . .	1,736 37.7

Railroad, Telephone and Telegraph Taxes, 1907 — Continued.

Blackstone, . . .	\$132 55.2	East Bridgewater, . . .	\$734 28.2
Blandford, . . .	172 30.8	East Longmeadow, . . .	5 61.4
Bolton, . . .	35 09.5	Eastham, . . .	115 44.3
Boston, . . .	365,072 24.5	Easthampton, . . .	579 29.6
Bourne, . . .	1,167 70.5	Easton, . . .	1,552 33.6
Boxborough, . . .	17 77.4	Edgartown, . . .	392 98.1
Boxford, . . .	2,084 85.5	Egremont, . . .	—
Boylston, . . .	9 10.8	Enfield, . . .	795 14.1
Braintree, . . .	2,490 50.2	Erving, . . .	13 25.6
Brewster, . . .	406 30.0	Essex, . . .	17 24.2
Bridgewater, . . .	569 57.7	EVERETT, . . .	820 72.6
Brimfield, . . .	66 84.6		
BROCKTON, . . .	1,291 13.5	Fairhaven, . . .	1,010 04.1
Brookfield, . . .	673 74.0	FALL RIVER, . . .	1,833 40.4
Brookline, . . .	56,441 80.6	Falmouth, . . .	8,238 53.7
Buckland, . . .	74 73.0	FITCHBURG, . . .	16,074 04.9
Burlington, . . .	73 67.6	Florida, . . .	—
		Foxborough, . . .	66 93.6
CAMBRIDGE, . . .	40,196 72.9	Framingham, . . .	4,169 59.2
Canton, . . .	1,924 70.2	Franklin, . . .	815 67.9
Carlisle, . . .	6 85.2	Freetown, . . .	192 32.4
Carver, . . .	100 83.4		
Charlemont, . . .	27 20.0	Gardner, . . .	930 64.0
Charlton, . . .	92 35.1	Gay Head, . . .	—
Chatham, . . .	232 35.8	Georgetown, . . .	4 99.4
Chelmsford, . . .	610 61.8	Gill, . . .	11 08.2
CHELSEA, . . .	1,034 74.8	GLOUCESTER, . . .	915 42.2
Cheshire, . . .	5 46.6	Goshen, . . .	2 26.3
Chester, . . .	25 26.9	Gosnold, . . .	74 93.3
Chesterfield, . . .	3 01.7	Grafton, . . .	1,029 83.7
CHICOPEE, . . .	2,216 11.2	Granby, . . .	107 65.1
Chilmark, . . .	7 27.9	Granville, . . .	21 90.6
Clarksburg, . . .	—	Great Barrington, . . .	954 39.1
Clinton, . . .	323 00.7	Greenfield, . . .	1,953 26.1
Cohasset, . . .	6,267 37.4	Greenwich, . . .	3 77.3
Colrain, . . .	131 35.5	Groton, . . .	3,021 86.1
Concord, . . .	6,399 19.8	Groveland, . . .	32 82.5
Conway, . . .	68 11.1		
Cummington, . . .	15 80.6	Hadley, . . .	143 12.3
		Halifax, . . .	170 47.8
Dalton, . . .	5,712 22.3	Hamilton, . . .	1,246 45.6
Dana, . . .	30 68.8	Hampden, . . .	8 91.8
Danvers, . . .	535 08.1	Hancock, . . .	114 77.6
Dartmouth, . . .	2,219 98.6	Hanover, . . .	1,046 85.7
Dedham, . . .	5,450 68.2	Hanson, . . .	54 73.8
Deerfield, . . .	222 18.0	Hardwick, . . .	593 67.3
Dennis, . . .	496 69.6	Harvard, . . .	993 91.2
Dighton, . . .	3 73.2	Harwich, . . .	755 29.5
Douglas, . . .	73 90.9	Hatfield, . . .	178 05.7
Dover, . . .	2,441 86.6	HAVERHILL, . . .	7,236 64.6
Dracut, . . .	46 32.9	Hawley, . . .	3 40.0
Dudley, . . .	136 74.4	Heath, . . .	27 20.0
Dunstable, . . .	318 19.6	Hingham, . . .	4,069 11.6
Duxbury, . . .	1,057 76.5	Hinsdale, . . .	335 55.2

Railroad, Telephone and Telegraph Taxes, 1907 — Continued.

Holbrook, . . .	\$514 03.3	Middleborough, . . .	\$2,499 33.2
Holden, . . .	513 30.1	Middlefield, . . .	45 38.4
Holland, . . .	2 92.8	Middleton, . . .	7 97.4
Holliston, . . .	613 84.9	Milford, . . .	314 64.3
HOLYOKE, . . .	13,409 46.0	Millbury, . . .	558 05.8
Hopedale, . . .	3,179 91.4	Millis, . . .	106 05.6
Hopkinton, . . .	196 94.6	Milton, . . .	28,522 08.7
Hubbardston, . . .	51 79.7	Monroe, . . .	89.5
Hudson, . . .	159 21.4	Monson, . . .	1,540 39.1
Hull, . . .	4 70.0	Montague, . . .	255 69.5
Huntington, . . .	18 77.1	Monterey, . . .	73 41.4
Hyde Park, . . .	1,518 26.9	Montgomery, . . .	-
		Mount Washington, . . .	-
Ipswich, . . .	1,608 11.0		
Kingston, . . .	2,147 15.7	Nahant, . . .	12,663 14.0
		Nantucket, . . .	1,249 08.4
Lakeville, . . .	147 47.0	Natick, . . .	1,392 84.1
Lancaster, . . .	569 33.1	Needham, . . .	1,757 15.8
Lanesborough, . . .	16 66.8	New Ashford, . . .	-
LAWRENCE, . . .	2,039 48.0	NEW BEDFORD, . . .	21,623 09.4
Lee, . . .	443 72.5	New Braintree, . . .	152 25.6
Leicester, . . .	2,034 59.0	New Marlborough, . . .	-
Lenox, . . .	1,177 12.7	New Salem, . . .	1 50.4
Leominster, . . .	1,413 04.2	Newbury, . . .	522 22.9
Leverett, . . .	48 80.1	NEWBURYPORT, . . .	3,309 30.2
Lexington, . . .	5,155 61.0	NEWTON, . . .	35,921 43.1
Leyden, . . .	20 82.5	Norfolk, . . .	67 40.1
Lincoln, . . .	3,147 33.3	NORTH ADAMS, . . .	575 03.2
Littleton, . . .	378 48.7	North Andover, . . .	4,239 45.6
Longmeadow, . . .	890 76.2	North Attleborough, . . .	1,121 91.6
LOWELL, . . .	24,974 35.7	North Brookfield, . . .	946 17.8
Ludlow, . . .	18 79.0	North Reading, . . .	32 86.0
Lunenburg, . . .	30 70.5	NORTHAMPTON, . . .	2,660 46.8
LYNN, . . .	3,912 38.5	Northborough, . . .	334 49.0
Lynnfield, . . .	15 30.7	Northbridge, . . .	7,082 26.5
		Northfield, . . .	907 57.0
MALDEN, . . .	4,760 42.1	Norton, . . .	94.0
Manchester, . . .	9,768 52.3	Norwell, . . .	1,312 95.3
Mansfield, . . .	167 41.1	Norwood, . . .	387 74.5
Marblehead, . . .	1,772 45.1		
Marion, . . .	726 25.5	Oak Bluffs, . . .	10 49.7
MARLBOROUGH, . . .	775 92.1	Oakham, . . .	4 39.2
Marshfield, . . .	1,154 52.8	Orange, . . .	123 36.8
Mashpee, . . .	-	Orleans, . . .	607 67.0
Mattapoissett, . . .	1,542 45.7	Otis, . . .	-
Maynard, . . .	159 95.7	Oxford, . . .	992 12.4
Medfield, . . .	2,647 04.0		
MEDFORD, . . .	10,734 10.6	Palmer, . . .	250 80.8
Medway, . . .	39 49.4	Paxton, . . .	-
MELROSE, . . .	2,546 24.9	Peabody, . . .	782 29.9
Mendon, . . .	24 04.4	Pelham, . . .	1 46.4
Merrimac, . . .	73 97.0	Pembroke, . . .	244 21.8
Methuen, . . .	228 69.7	Pepperell, . . .	468 92.8
		Peru, . . .	-

Railroad, Telephone and Telegraph Taxes, 1907 — Continued.

Petersham, . . .	\$373 18.0	Stoneham, . . .	\$379 45.1
Phillipston, . . .	12 92.6	Stoughton, . . .	328 52.7
PITTSFIELD, . . .	5,136 41.3	Stow, . . .	134 42.9
Plainfield, . . .	78 39.1	Sturbridge, . . .	187 75.7
Plainville, . . .	22 43.6	Sudbury, . . .	348 53.4
Plymouth, . . .	2,506 62.5	Sunderland, . . .	4 03.4
Plympton, . . .	34 26.0	Sutton, . . .	177 43.9
Prescott, . . .	—	Swampscott, . . .	5,928 48.3
Princeton, . . .	1,346 15.3	Swansea, . . .	204 19.4
Provincetown, . . .	506 57.4		
QUINCY, . . .	2,468 95.5	TAUNTON, . . .	6,893 14.0
		Templeton, . . .	584 10.9
Randolph, . . .	2,153 77.5	Tewksbury, . . .	87 18.7
Raynham, . . .	15 49.0	Tisbury, . . .	1,213 99.6
Reading, . . .	734 31.3	Tolland, . . .	—
Rehoboth, . . .	3 42.6	Topsfield, . . .	161 81.2
Revere, . . .	68 32.9	Townsend, . . .	105 58.8
Richmond, . . .	18 72.4	Truro, . . .	2 35.0
Rochester, . . .	95 04.0	Tyngsborough, . . .	348 77.4
Rockland, . . .	260 20.2	Tyringham, . . .	2 62.0
Rockport, . . .	3 62.3		
Rowe, . . .	10 20.0	Upton, . . .	719 35.9
Rowley, . . .	22 88.6	Uxbridge, . . .	2,789 88.6
Royalston, . . .	271 62.3		
Russell, . . .	21 96.0	Wakefield, . . .	385 51.2
Rutland, . . .	—	Wales, . . .	5 85.6
SALEM, . . .	17,040 43.7	Walpole, . . .	353 55.8
Salisbury, . . .	24 25.0	WALTHAM, . . .	5,931 44.8
Sandisfield, . . .	13.5	Ware, . . .	3,274 21.3
Sandwich, . . .	555 92.7	Wareham, . . .	1,271 20.8
Saugus, . . .	130 20.9	Warren, . . .	1,295 98.3
Savoy, . . .	—	Warwick, . . .	3 69.0
Scituate, . . .	1,249 36.1	Washington, . . .	—
Seekonk, . . .	33 13.8	Watertown, . . .	1,864 86.4
Sharon, . . .	602 13.4	Wayland, . . .	1,279 20.6
Sheffield, . . .	524 45.1	Webster, . . .	6,270 23.6
Shelburne, . . .	356 96.1	Wellesley, . . .	4,978 55.9
Sherborn, . . .	233 41.9	Wellfleet, . . .	59 10.0
Shirley, . . .	64 89.6	Wendell, . . .	—
Shrewsbury, . . .	202 22.9	Wenham, . . .	307 04.3
Shutesbury, . . .	—	West Boylston, . . .	146 57.7
Somerset, . . .	94.0	West Bridgewater, . . .	240 13.2
SOMERVILLE, . . .	4,664 21.7	West Brookfield, . . .	345 80.7
South Hadley, . . .	734 27.5	West Newbury, . . .	160 17.4
Southampton, . . .	6 50.5	West Springfield, . . .	1,299 18.0
Southborough, . . .	3,123 33.9	West Stockbridge, . . .	112 93.4
Southbridge, . . .	735 06.6	West Tisbury, . . .	50 18.3
Southwick, . . .	20 01.2	Westborough, . . .	591 53.7
Spencer, . . .	2,093 07.1	Westfield, . . .	2,247 45.0
SPRINGFIELD, . . .	37,224 38.0	Westford, . . .	1,241 05.7
Sterling, . . .	93 26.1	Westhampton, . . .	3 01.7
Stockbridge, . . .	2,461 24.2	Westminster, . . .	514 46.1
		Weston, . . .	6,719 29.8
		Westport, . . .	558 49.2

Railroad, Telephone and Telegraph Taxes, 1907 — Concluded.

Westwood,	\$848 95.9	Woburn,	\$1,589 90.6
Weymouth,	938 06.9	Worcester,	59,834 45.5
Whately,	22 50.5	Worthington,	4 52.6
Whitman,	215 76.1	Wrentham,	226 11.1
Wilbraham,	495 17.9		
Williamsburg,	151 77.1	Yarmouth,	2,257 29.1
Williamstown,	344 19.9		
Wilmington,	320-83.9		\$1,068,393 52.3
Winchendon,	383 47.4	COMMONWEALTH,	812,948 23.5
Winchester,	3,455 89.0		
Windsor,	—		\$1,881,341 75.8
Winthrop,	538 02.5		

Apportionment of the State Tax for 1907.

Abington,	\$3,400	Boxford,	\$1,520
Acton,	2,320	Boylston,	520
Acushnet,	840	Braintree,	6,200
Adams,	7,680	Brewster,	720
Agawam,	2,040	Bridgewater,	3,960
Alford,	200	Brimfield,	480
Amesbury,	6,480	Brockton,	40,920
Amherst,	4,440	Brookfield,	1,520
Andover,	8,000	Brookline,	112,680
Arlington,	12,120	Buckland,	880
Ashburnham,	1,160	Burlington,	720
Ashby,	880		
Ashfield,	720	CAMBRIDGE,	122,720
Ashland,	1,280	Canton,	4,960
Athol,	5,280	Carlisle,	520
Attleborough,	13,400	Carver,	1,400
Auburn,	1,240	Charlemont,	520
Avon,	1,160	Charlton,	1,480
Ayer,	2,320	Chatham,	1,280
		Chelmsford,	3,760
Barnstable,	6,160	CHELSEA,	30,920
Barre,	2,040	Cheshire,	920
Becket,	600	Chester,	800
Bedford,	1,480	Chesterfield,	360
Belchertown,	1,080	CHICOPEE,	12,880
Bellingham,	1,000	Chilmark,	320
Belmont,	6,840	Clarksburg,	360
Berkley,	520	Clinton,	9,400
Berlin,	640	Cohasset,	7,800
Bernardston,	520	Colrain,	880
BEVERLY,	28,800	Concord,	7,160
Billerica,	2,840	Conway,	840
Blackstone,	2,840	Cummington,	—
Blandford,	520		
Bolton,	600	Dalton,	4,240
Boston,	1,438,800	Dana,	440
Bourne,	3,440	Danvers,	7,000
Boxborough,	280	Dartmouth,	4,520

Apportionment of the State Tax for 1907 — Continued.

Dedham,	\$13,520	Harvard,	\$1,400
Deerfield,	1,840	Harwich,	1,520
Dennis,	1,600	Hatfield,	1,760
Dighton,	1,160	HAVERHILL,	33,520
Douglas,	1,480	Hawley,	200
Dover,	1,400	Heath,	200
Dracut,	2,520	Hingham,	5,800
Dudley,	1,880	Hinsdale,	760
Dunstable,	360	Holbrook,	1,760
Duxbury,	2,360	Holden,	1,920
		Holland,	120
East Bridgewater,	2,280	Holliston,	1,920
East Longmeadow,	800	HOLYOKE,	50,800
Eastham,	400	Hopedale,	6,720
Easthampton,	4,800	Hopkinton,	2,040
Easton,	6,320	Hubbardston,	840
Edgartown,	1,080	Hudson,	4,360
Egremont,	560	Hull,	4,880
Enfield,	960	Huntington,	760
Erving,	1,000	Hyde Park,	15,040
Essex,	1,380		
EVERETT,	27,040	Ipswich,	5,040
Fairhaven,	3,520	Kingston,	2,000
FALL RIVER,	97,480		
Falmouth,	9,480	Lakeville,	800
FITCHBURG,	32,000	Lancaster,	4,160
Florida,	200	Lanesborough,	600
Foxborough,	2,480	LAWRENCE,	60,200
Framingham,	12,360	Lee,	2,600
Franklin,	4,160	Leicester,	2,760
Freetown,	1,080	Lenox,	5,440
		Leominster,	12,160
Gardner,	8,480	Leverett,	400
Gay Head,	40	Lexington,	7,800
Georgetown,	1,200	Leyden,	240
Gill,	520	Lincoln,	3,440
GLOUCESTER,	25,480	Littleton,	1,160
Goshen,	200	Longmeadow,	1,280
Gosnold,	360	LOWELL,	87,720
Grafton,	3,040	Ludlow,	3,440
Granby,	560	Lunenburg,	1,200
Granville,	520	LYNN,	75,520
Great Barrington,	6,560	Lynnfield,	840
Greenfield,	8,720		
Greenwich,	320	MALDEN,	41,440
Groton,	3,720	Manchester,	15,360
Groveland,	1,400	Mansfield,	3,240
		Marblehead,	8,920
Hadley,	1,440	Marion,	1,960
Halifax,	440	MARLBOROUGH,	12,040
Hamilton,	4,200	Marshfield,	2,040
Hampden,	440	Mashpee,	240
Hancock,	360	Mattapoissett,	1,920
Hanover,	1,760	Maynard,	4,520
Hanson,	1,520	Medfield,	2,000
Hardwick,	2,120	MEDFORD,	25,320

Apportionment of the State Tax for 1907 — Continued.

Medway,	\$1,640	Pepperell,	\$2,720
MELROSE,	18,000	Peru,	160
Mendon,	760	Petersham,	840
Merrimac,	1,480	Phillipston,	320
Methuen,	6,400	PITTSFIELD,	22,760
Middleborough,	5,440	Plainfield,	240
Middlefield,	240	Plainville,	840
Middleton,	880	Plymouth,	11,640
Milford,	8,240	Plympton,	400
Millbury,	2,880	Prescott,	240
Millis,	880	Princeton,	1,240
Milton,	28,360	Provincetown,	2,440
Monroe,	200		
Monson,	2,360	QUINCY,	31,320
Montague,	4,960		
Monterey,	360	Randolph,	2,800
Montgomery,	160	Raynham,	960
Mount Washington,	80	Reading,	5,760
		Rehoboth,	960
Nahant,	8,040	Revere,	14,720
Nantucket,	3,680	Richmond,	400
Natick,	8,200	Rochester,	720
Needham,	5,400	Rockland,	4,440
New Ashford,	80	Rockport,	3,600
NEW BEDFORD,	78,600	Rowe,	240
New Braintree,	480	Rowley,	920
New Marlborough,	720	Royalston,	680
New Salem,	400	Russell,	720
Newbury,	1,520	Rutland,	840
NEWBURYPORT,	13,680		
NEWTON,	81,560	SALEM,	37,960
Norfolk,	840	Salisbury,	1,000
NORTH ADAMS,	18,640	Sandisfield,	400
North Andover,	5,760	Sandwich,	1,200
North Attleborough,	6,000	Saugus,	5,440
North Brookfield,	1,960	Savoy,	240
North Reading,	760	Scituate,	4,400
NORTHAMPTON,	15,320	Seekonk,	1,280
Northborough,	1,640	Sharon,	2,680
Northbridge,	5,960	Sheffield,	1,280
Northfield,	1,440	Shelburne,	1,240
Norton,	1,280	Sherborn,	1,480
Norwell,	1,240	Shirley,	1,206
Norwood,	6,920	Shrewsbury,	1,760
		Shutesbury,	240
Oak Bluffs,	1,880	Somerset,	1,480
Oakham,	440	SOMERVILLE,	70,160
Orange,	4,480	South Hadley,	3,400
Orleans,	800	Southampton,	600
Otis,	280	Southborough,	2,320
Oxford,	2,120	Southbridge,	6,800
		Southwick,	760
Palmer,	4,480	Spencer,	4,880
Paxton,	400	SPRINGFIELD,	103,280
Peabody,	11,160	Sterling,	1,160
Pelham,	240	Stockbridge,	4,080
Pembroke,	1,080	Stoneham,	5,880

Apportionment of the State Tax for 1907 — Concluded.

Stoughton,	\$4,320	Wendell,	\$280
Stow,	1,000	Wenham,	2,440
Sturbridge,	1,200	West Boylston,	880
Sudbury,	1,440	West Bridgewater,	1,360
Sunderland,	640	West Brookfield,	1,040
Sutton,	1,520	West Newbury,	1,280
Swampscott,	9,920	West Springfield,	7,040
Swansea,	1,680	West Stockbridge,	520
		West Tisbury,	520
TAUNTON,	27,880	Westborough,	3,760
Templeton,	2,080	Westfield,	10,800
Tewksbury,	1,160	Westford,	2,440
Tisbury,	1,680	Westhampton,	280
Tolland,	200	Westminster,	960
Topsfield,	1,240	Weston,	7,720
Townsend,	1,480	Westport,	2,080
Truro,	480	Westwood,	2,440
Tyngsborough,	640	Weymouth,	8,480
Tyringham,	320	Whately,	560
		Whitman,	5,200
Upton,	1,320	Wilbraham,	1,240
Uxbridge,	3,400	Williamsburg,	1,160
		Williamstown,	3,560
Wakefield,	10,040	Wilmington,	1,520
Wales,	360	Winchendon,	4,040
Walpole,	4,440	Winchester,	13,160
WALTHAM,	28,400	Windsor,	320
Ware,	5,640	Winthrop,	10,720
Wareham,	4,280	WOBURN,	12,560
Warren,	2,400	WORCESTER,	150,120
Warwick,	400	Worthington,	360
Washington,	320	Wrentham,	1,200
Watertown,	14,720		
Wayland,	2,440	Yarmouth,	2,320
Webster,	9,680		
Wellesley,	14,440		\$4,032,900
Wellfleet,	1,200		

APPENDIX J.

TABLE SHOWING THE DISTRIBUTION OF THE ENTIRE CORPORATE
FRANCHISE TAX FOR 1907.

Abington,	\$415 38	Andover,	\$13,911 65
Acton,	2,728 60	Arlington,	7,193 26
Acushnet,	718 01	Ashburnham,	345 61
Adams,	11,160 56	Ashby,	1,957 80
Agawam,	936 52	Ashfield,	57 06
Alford,	—	Ashland,	414 54
Amesbury,	2,869 92	Athol,	3,198 24
Amherst,	2,081 80	Attleborough,	3,678 50

TABLE SHOWING THE DISTRIBUTION OF THE ENTIRE CORPORATE
FRANCHISE TAX FOR 1907 — *Continued.*

Auburn,	\$180 30	Dalton,	\$9,577 56
Avon,	264 33	Dana,	30 68
Ayer,	655 50	Danvers,	5,177 98
Barnstable,	8,367 63	Dartmouth,	6,844 47
Barre,	1,144 55	Dedham,	17,323 21
Becket,	141 44	Deerfield,	962 90
Bedford,	1,709 36	Dennis,	1,148 20
Belchertown,	48 89	Dighton,	169 92
Bellingham,	705 22	Douglas,	818 67
Belmont,	8,320 54	Dover,	3,922 92
Berkley,	135 08	Dracut,	93 24
Berlin,	34 99	Dudley,	244 99
Bernardston,	434 47	Dunstable,	371 88
BEVERLY,	35,042 62	Duxbury,	1,985 23
Billerica,	5,632 85	East Bridgewater,	2,050 35
Blackstone,	134 07	East Longmeadow,	8 97
Blandford,	172 30	Eastham,	143 78
Bolton,	36 28	Easthampton,	3,436 10
Boston,	980,307 72	Easton,	10,360 12
Bourne,	5,063 99	Edgartown,	602 23
Boxborough,	17 77	Egremont,	241 05
Boxford,	4,330 52	Enfield,	1,638 93
Boylston,	14 83	Erving,	25 70
Braintree,	5,170 38	Essex,	357 93
Brewster,	464 80	EVERETT,	9,064 74
Bridgewater,	1,833 68	Fairhaven,	2,417 47
Brimfield,	90 17	FALL RIVER,	58,740 04
Brockton,	39,783 94	Falmouth,	23,521 25
Brookfield,	701 09	FITCHBURG,	34,640 17
Brookline,	202,472 29	Florida,	-
Buckland,	75 41	Foxborough,	247 36
Burlington,	80 70	Frammingham,	19,633 47
CAMBRIDGE,	80,312 22	Franklin,	1,667 11
Canton,	6,641 78	Freetown,	571 80
Carlisle,	11 99	Gardner,	3,323 97
Carver,	100 83	Gay Head,	-
Charlemont,	36 06	Georgetown,	215 55
Charlton,	149 55	Gill,	24 18
Chatham,	241 51	GLOUCESTER,	11,031 44
Chelmsford,	948 96	Goshen,	2 39
CHELSEA,	9,846 59	Gosnold,	465 77
Cheshire,	344 44	Grafton,	1,990 70
Chester,	205 67	Granby,	122 91
Chesterfield,	4 99	Granville,	132 79
CHICOPEE,	13,497 48	Great Barrington,	7,811 48
Chilmark,	26 20	Greenfield,	13,448 75
Clarksburg,	-	Greenwich,	3 77
Clinton,	3,476 61	Groton,	7,646 72
Cohasset,	9,094 19	Groveland,	95 42
Colrain,	787 49	Hadley,	201 02
Concord,	12,250 78	Halifax,	171 31
Conway,	144 70		
Cummington,	15 80		

TABLE SHOWING THE DISTRIBUTION OF THE ENTIRE CORPORATE
FRANCHISE TAX FOR 1907 — *Continued.*

Hamilton,	\$6,361 16	Marion,	\$3,594 87
Hampden,	10 38	MARLBOROUGH,	7,003 34
Hancock,	114 90	Marshfield,	1,303 66
Hanover,	1,351 19	Mashpee,	-
Hanson,	358 33	Mattapoisett,	3,330 79
Hardwick,	678 44	Maynard,	357 44
Harvard,	1,834 28	Medfield,	2,961 97
Harwich,	779 88	MEDFORD,	17,011 15
Hatfield,	353 14	Medway,	122 65
Haverhill,	22,000 08	MELROSE,	10,385 89
Hawley,	3 53	Mendon,	37 48
Heath,	27 20	Merrimac,	1,155 85
Hingham,	9,666 30	Methuen,	3,904 31
Hinsdale,	354 39	Middleborough,	4,187 53
Holbrook,	575 92	Middlefield,	45 44
Holden,	2,924 43	Middleton,	17 97
Holland,	2 92	Milford,	2,820 37
Holliston,	833 13	Millbury,	839 28
HOLYOKE,	51,212 50	Millis,	217 28
Hopedale,	13,011 78	Milton,	77,785 93
Hopkinton,	1,344 37	Monroe,	74 47
Hubbardston,	149 66	Monson,	3,685 30
Hudson,	2,541 74	Montague,	1,011 35
Hull,	330 64	Monterey,	167 88
Huntington,	42 12	Montgomery,	-
Hyde Park,	6,506 09	Mt. Washington,	-
Ipswich,	3,854 11	Nahant,	24,922 68
Kingston,	3,151 12	Nantucket,	2,010 03
Lakeville,	168 53	Natick,	4,686 22
Lancaster,	6,247 36	Needham,	5,722 18
Lanesborough,	16 66	New Ashford,	-
LAWRENCE,	21,816 60	NEW BEDFORD,	78,825 64
Lee,	2,311 59	New Braintree,	152 25
Leicester,	3,525 62	New Marlborough,	33 89
Lenox,	2,763 93	New Salem,	1 50
Leominster,	11,225 24	Newbury,	590 81
Leverett,	48 80	NEWBURYPORT,	12,938 71
Lexington,	15,167 98	NEWTON,	131,182 71
Leyden,	21 06	Norfolk,	100 11
Lincoln,	6,598 24	NORTH ADAMS,	33,989 63
Littleton,	476 31	North Andover,	10,623 74
Longmeadow,	1,760 55	North Attleborough,	1,804 27
LOWELL,	61,237 39	North Brookfield,	1,930 45
Ludlow,	313 41	North Reading,	35 59
Lunenburg,	654 07	NORTHAMPTON,	9,325 94
LYNN,	41,865 95	Northborough,	413 38
Lynnfield,	273 09	Northbridge,	23,019 00
MALDEN,	33,448 11	Northfield,	1,035 41
Manchester,	37,191 93	Norton,	218 05
Mansfield,	2,106 28	Norwell,	3,010 31
Marblehead,	13,630 93	Norwood,	7,733 66
		Oak Bluffs,	110 40
		Oakham,	14 07

TABLE SHOWING THE DISTRIBUTION OF THE ENTIRE CORPORATE
FRANCHISE TAX FOR 1907 — *Continued.*

Orange,	\$4,831 39	Somerset,	\$248 83
Orleans,	685 78	SOMERVILLE,	21,551 43
Otis,	19	South Hadley,	3,517 87
Oxford,	2,133 39	Southampton,	22 00
		Southborough,	6,381 82
Palmer,	782 04	Southbridge,	7,726 50
Paxton,	6 43	Southwick,	64 34
Peabody,	5,616 86	Spencer,	10,429 70
Pelham,	51 75	SPRINGFIELD,	120,685 34
Pembroke,	370 23	Sterling,	310 06
Pepperell,	1,369 06	Stockbridge,	3,790 91
Peru,	—	Stoneham,	1,300 19
Petersham,	654 88	Stoughton,	914 81
Phillipston,	26 54	Stow,	160 05
PITTSFIELD,	15,031 62	Sturbridge,	225 72
Plainfield,	78 52	Sudbury,	436 25
Plainville,	30 37	Sunderland,	13 99
Plymouth,	7,854 30	Sutton,	386 41
Plympton,	110 93	Swampscott,	13,262 82
Prescott,	—	Swansea,	3,944 56
Princeton,	1,786 77		
Provincetown,	703 12	TAUNTON,	29,730 32
		Templeton,	1,039 70
QUINCY,	11,733 32	Tewksbury,	275 94
		Tisbury,	2,561 74
Randolph,	2,974 16	Tolland,	—
Raynham,	162 65	Topsfield,	1,933 29
Reading,	3,802 56	Townsend,	1,837 72
Rehoboth,	64 04	Truro,	73 47
Revere,	586 36	Tyngsborough,	486 06
Richmond,	28 26	Tyringham,	2 62
Rochester,	167 80		
Rockland,	3,525 11	Upton,	787 68
Rockport,	662 14	Uxbridge,	4,374 82
Rowe,	11 90		
Rowley,	189 34	Wakefield,	7,531 98
Royalston,	629 72	Wales,	21 00
Russell,	21 96	Walpole,	563 21
Rutland,	6 36	WALTHAM,	23,313 70
		Ware,	5,691 90
SALEM,	41,323 47	Wareham,	3,930 66
Salisbury,	31 40	Warren,	2,025 72
Sandisfield,	13	Warwick,	3 69
Sandwich,	620 89	Washington,	—
Saugus,	626 75	Watertown,	9,470 22
Savoy,	—	Wayland,	2,078 99
Scituate,	1,473 99	Webster,	35,165 83
Seekonk,	39 26	Wellesley,	16,418 01
Sharon,	1,612 72	Wellfleet,	120 38
Sheffield,	856 77	Wendell,	—
Shelburne,	554 48	Wenham,	1,260 19
Sherborn,	704 02	West Boylston,	235 84
Shirley,	1,270 10	West Bridgewater,	358 64
Shrewsbury,	3,687 96	West Brookfield,	1,094 69
Shutesbury,	—	West Newbury,	428 53

TABLE SHOWING THE DISTRIBUTION OF THE ENTIRE CORPORATE
FRANCHISE TAX FOR 1907 — *Concluded.*

West Springfield, . . .	\$3,676 41	Wilmington, . . .	\$1,793 05
West Stockbridge, . . .	231 05	Winchendon, . . .	4,473 15
West Tisbury, . . .	130 76	Winchester, . . .	19,530 18
Westborough, . . .	1,995 53	Windsor, . . .	—
Westfield, . . .	9,785 66	Winthrop, . . .	3,988 03
Westford, . . .	8,761 93	Woburn, . . .	4,439 72
Westhampton, . . .	19 39	Worcester, . . .	176,252 08
Westminster, . . .	562 49	Worthington, . . .	7 24
Weston, . . .	23,075 69	Wrentham, . . .	328 80
Westport, . . .	1,576 68	Yarmouth, . . .	3,603 99
Westwood, . . .	2,402 58		
Weymouth, . . .	2,904 62		\$3,383,511 64
Whately, . . .	22 85	COMMONWEALTH, . . .	1,412,552 70
Whitman, . . .	541 92		
Wilbraham, . . .	597 13		\$4,796,064 34
Williamsburg, . . .	609 20		
Williamstown, . . .	751 80		

APPENDIX K.

TABLE SHOWING THE AMOUNT OF CORPORATE FRANCHISE TAX PAID
BY BUSINESS CORPORATIONS IN CERTAIN CITIES AND TOWNS,
TOGETHER WITH THE AMOUNT OF SUCH TAX RETURNED TO
THE SAME CITIES AND TOWNS.

[NOTE. — The figures in the first column are exact, being the amount of corporation taxes credited to the several towns in 1907, less the railroad, telephone and telegraph taxes. The figures in the second column are the corporate franchise taxes of the corporations located in the several cities and towns returned by the assessors of those cities and towns. Owing to the shortness of the time at our disposal, it has been impossible to verify all of these returns, but the figures, as given, are substantially accurate.]

CITY OR TOWN.	Corporate Franchise Tax (exclusive of Railroad and Telephone and Telegraph Companies) distributed locally.	Franchise Taxes paid by Corporations Other than Railroads and Telephone and Telegraph, located in Certain Cities and Towns.
Acton,	\$2,233 11	\$2,043 65
Agawam,	522 66	1,598 90
Andover,	8,682 47	24,094 44
Arlington,	4,582 96	1,127 29
Ashby,	1,600 85	—
Barnstable,	5,209 45	94 61
Bedford,	1,377 30	—
Berlin,	—	—

TABLE SHOWING AMOUNT OF CORPORATE FRANCHISE TAX, ETC. —
Continued.

CITY OR TOWN.	Corporate Franchise Tax (exclusive of Railroad and Telephone and Telegraph Companies) distributed locally.	Franchise Taxes paid by Corporations Other than Railroads and Telephone and Telegraph, located in Certain Cities and Towns.
Beverly,	\$25,308 63	\$5,153 60
Billerica,	3,896 48	3,281 00
Boston,	615,235 48	1,555,602 57
Bourne,	3,896 29	3,506 86
Boylston,	5 73	—
Brockton,	38,492 81	43,648 75
Brookline,	146,030 50	852 25
Canton,	4,717 09	7,402 51
Cheshire,	338 99	279 51
Cohasset,	2,826 83	144 46
Concord,	5,851 59	3,460 88
Dalton,	3,865 34	1,653 24
Dedham,	11,872 55	209 24
Dover,	1,481 06	—
Dunstable,	53 69	—
Easton,	8,807 79	88 55
Enfield,	843 79	755 11
Everett,	8,244 01	1,116 72
Fairhaven,	1,407 44	92 30
Fall River,	56,870 64	104,917 57
Falmouth,	15,282 72	—
Framingham,	15,463 89	28,059 72
Freetown,	379 48	107 11
Greenfield,	11,495 50	7,973 07
Hamilton,	5,114 71	—
Hanover,	304 34	3,062 72
Harvard,	840 38	—
Holyoke,	37,803 05	47,503 21
Hudson,	2,382 53	12,140 13
Ipswich,	2,246 01	483 64
Kingston,	1,003 97	1,036 83
Lakeville,	21 06	—
Lancaster,	5,678 03	—
Lawrence,	19,777 12	172,105 92
Leicester,	1,491 04	1,180 75
Lexington,	10,012 37	565 73
Lowell,	36,263 04	77,203 38
Lynn,	37,953 58	45,353 47
Manchester,	27,423 42	—
Mansfield,	1,938 88	808 95
Marblehead,	11,858 49	6,834 04
Marion,	2,868 62	13 62
Medford,	6,277 05	917 72
Merrimac,	1,081 89	370 82

TABLE SHOWING AMOUNT OF CORPORATE FRANCHISE TAX, ETC. —
Concluded.

CITY OR TOWN.	Corporate Franchise Tax (exclusive of Railroad and Telephone and Telegraph Companies) distributed locally.	Franchise Taxes paid by Corporations Other than Railroads and Telephone and Telegraph, located in Certain Cities and Towns.
Milton,	\$49,263 85	\$1,975 00
Montague,	755 66	5,610 68
Nahant,	12,259 55	—
Needham,	3,965 03	1,215 94
New Bedford,	57,194 55	104,642 46
Newbury,	68 59	—
Newton,	95,261 29	5,485 44
North Adams,	33,414 60	36,014 22
Northborough,	78 90	114 95
Northbridge,	15,936 75	8,123 58
Norwell,	1,697 36	144 46
Norwood,	7,345 92	7,306 76
Pittsfield,	9,895 22	11,839 11
Plymouth,	2,347 69	8,561 62
Randolph,	820 40	13 62
Rockport,	658 53	1,842 37
Royalston,	358 11	153 27
Shrewsbury,	3,485 74	2,218 07
South Hadley,	2,783 61	6,336 61
Springfield,	83,460 97	124,746 58
Swansea,	3,740 37	—
Wareham,	2,659 46	743 36
Watertown,	7,605 37	17,864 16
Webster,	28,895 60	30,917 99
Wellesley,	11,439 45	544 21
West Springfield,	2,377 24	6,961 04
Westford,	7,520 88	2,386 70
Weston,	16,356 40	994 55
Wilmington,	1,472 22	4,881 56
Winchester,	16,074 30	1,016 59
Worcester,	116,217 63	147,724 90

APPENDIX L.

STATISTICS OF MUNICIPAL DEBTS AND TAXES.

I. Table showing the Net Indebtedness of Municipalities in Massachusetts.

YEAR.	Aggregate Valuation.	Aggregate Net Debt.	Percentage.
1871,	\$1,497,351,686	\$39,421,298	.026
1872,	1,696,599,969	45,221,745	.026
1873,	1,763,429,990	53,380,118	.030
1874,	1,831,601,165	64,904,069	.035
1875,	1,840,792,728	71,784,006	.038
1876,	1,769,359,431	72,165,156	.040
1877,	1,668,226,972	72,049,685	.043
1878,	1,568,988,210	68,864,685	.043
1879,	1,529,521,014	67,728,557	.044
1880,	1,584,756,802	68,512,929	.043
1881,	1,648,239,976	65,408,691	.039
1882,	1,684,213,423	62,782,507	.037
1883,	1,731,297,061	63,413,128	.036
1884,	1,756,879,778	63,595,568	.036
1885,	1,782,349,143	63,306,213	.035
1886,	1,847,531,422	63,585,220	.034
1887,	1,932,548,807	64,675,061	.033
1888,	1,992,804,101	65,586,603	.032
1889,	2,072,170,872	66,502,030	.032
1890,	2,154,134,626	70,742,786	.032
1891,	2,245,042,273	73,066,660	.032
1892,	2,333,025,090	76,483,323	.032
1893,	2,428,339,029	80,125,652	.032
1894,	2,471,521,505	87,786,918	.035
1895,	2,542,348,993	98,511,920	.038
1896,	2,622,520,278	104,702,875	.039
1897,	2,702,328,054	115,798,889	.042
1898,	2,764,242,784	121,385,139	.043
1899,	2,876,021,222	128,051,487	.044
1900,	2,961,119,947	131,016,743	.044
1901,	3,033,884,001	126,189,227	.041
1902,	3,115,426,287	128,477,581	.041
1903,	3,200,101,482	135,906,382	.042
1904,	3,251,804,634	141,660,675	.043
1905,	3,312,255,163	147,509,003	.044
1906,	3,404,893,165	150,998,898	.044

The gross interest-bearing debt of municipalities of the State was \$212,951,718 on the first day of May, 1906.

If we assume the rate of interest to average $3\frac{1}{2}$ per cent., which is a safe average, the amount raised by taxation for interest alone in 1906 was \$7,453,310.

The aggregate net debt of the municipalities of the State for

1905 was \$147,509,003, and for 1906 \$150,998,898, showing an increase of \$3,489,895.

II. *Table showing the Taxes levied on Polls and Property in Massachusetts, 1861-1901.*

YEAR.	Total.	State Tax.	County, Town and City Taxes.
1861,	\$7,600,501	\$300,372	\$7,300,129
1862,	8,605,511	1,797,516	6,807,995
1863,	10,599,097	2,396,568	8,202,529
1864,	12,876,850	2,396,463	10,480,387
1865,	16,800,332	4,700,000	12,100,332
1866,	15,694,039	3,000,000	12,694,039
1867,	19,104,074	5,000,000	14,104,074
1868,	16,056,193	2,000,000	14,056,193
1869,	20,007,863	2,500,000	17,507,863
1870,	21,922,569	2,500,000	19,422,569
1871,	22,063,946	2,500,000	19,563,946
1872,	22,911,883	2,000,000	20,911,883
1873,	25,153,399	2,250,000	22,903,399
1874,	28,700,605	2,000,000	26,700,605
1875,	27,712,760	2,000,000	25,712,760
1876,	24,778,803	1,800,000	22,978,803
1877,	23,916,939	1,500,000	22,416,939
1878,	21,186,737	1,000,000	20,186,737
1879,	21,012,833	500,000	20,512,833
1880,	24,326,612	1,500,000	22,826,612
1881,	24,180,245	1,500,000	22,680,245
1882,	26,090,914	2,000,000	24,090,914
1883,	26,323,432	1,500,000	24,823,432
1884,	28,653,549	2,000,000	26,653,549
1885,	25,850,317	1,500,000	24,350,317
1886,	26,701,437	1,500,000	25,201,437
1887,	28,831,837	2,250,000	26,581,837
1888,	29,379,674	2,250,000	27,129,674
1889,	30,216,650	2,000,000	28,216,650
1890,	31,503,666	1,750,000	29,753,666
1891,	32,242,721	1,500,000	30,742,721
1892,	34,465,969	1,750,000	32,715,969
1893,	36,397,292	2,500,000	33,897,292
1894,	36,914,205	2,000,000	34,914,205
1895,	38,084,609	1,500,000	36,584,609
1896,	39,954,339	1,750,000	38,204,339
1897,	41,593,555	1,750,000	39,843,555
1898,	43,792,378	1,500,000	42,292,378
1899,	45,038,672	1,500,000	43,538,672
1900,	47,914,058	1,500,000	46,414,058
1901,	49,403,016	1,750,000	47,653,016
1902,	50,827,713	1,500,000	49,327,713
1903,	52,839,917	2,500,000	50,339,917
1904,	54,348,769	2,500,000	51,848,769
1905,	57,476,660	4,000,000	53,476,660
1906,	57,893,335	3,500,000 ¹	54,393,335

¹ Eleven months.

CODIFICATION OF LAWS

RELATING TO

TAXATION.

LAWS REGULATING TAXATION.

CHAPTER .

PART I.

ASSESSMENT OF TAXES.

PERSONS AND PROPERTY LIABLE TO TAXATION.

SECTION 1. A poll tax of two dollars shall be assessed on every male inhabitant of the commonwealth above the age of twenty years, whether a citizen of the United States or an alien.

P. S. 11, § 1.
1901, 424, § 1.

1843, 87.

R. L. 12, § 1.
7 Mass. 523.

1844, 145.

G. S. 11, § 1.
4 Met. 181.
5 Met. 594.

Persons sub-
ject to a poll
tax.
1780, 43.
1830, 151, § 2.
R. S. 7, § 1.

SECTION 2. All property real and personal situated within the commonwealth, and all personal property of the inhabitants of the commonwealth wherever situated, unless expressly exempted by law, shall be subject to taxation.

P. S. 11, § 2.

R. L. 12, § 2.

4 Met. 564.

4 Cush. 12.

16 Gray, 293.

101 Mass. 317.

193 Mass. 274.

4 Gray, 500.

6 Allen, 559.

106 Mass. 540.

199 U. S. 194.

Property sub-
ject to taxa-
tion.
1780, 43.
1830, 151, § 2.
R. S. 7, § 2.
G. S. 11, § 2.

SECTION 3. Real estate for the purpose of taxation shall include not only all land within the commonwealth but also all buildings and other things erected on or affixed to the same.

22 Pick. 22.

10 Cush. 514.

101 Mass. 328.

102 Mass. 79.

125 Mass. 567.

147 Mass. 33.

153 Mass. 141.

118 Mass. 386.

130 Mass. 428.

149 Mass. 238.

189 Mass. 182.

Real estate.
R. S. 7, § 3.
G. S. 11, § 3.
P. S. 11, § 3.
R. L. 12, § 3.

SECTION 4. Personal estate for the purpose of taxation shall include:—

First, Goods, chattels, money and effects, wherever they are; ships and vessels at home or abroad, except as provided in section seven.

Second, Money at interest, and other debts due the person to be taxed more than he is indebted or pays interest for; but not including in such debts due him or indebtedness from him any loan on mortgage of real estate, taxable as real estate, except the excess of such loan above the assessed value of the mortgaged real estate.

Personal
estate.
1821, 107, § 2.
1830, 151, § 2.
R. S. 7, § 4.
1839, 139, § 2.
1849, 149.
G. S. 11, § 4.
1873, 354.
1881, 284, § 1;
304, § 6.
P. S. 11, § 4.
1882, 76.
1888, 363.
R. L. 12, § 4
1902, 374, § 4.
1906, 493.
16 Pick. 435,
572.
9 Met. 73, 199.

10 Cush. 128.
 10 Allen, 100.
 11 Allen, 309.
 14 Allen, 359,
 366.
 103 Mass. 544.
 105 Mass. 526.
 106 Mass. 540.
 136 Mass. 129.
 137 Mass. 111.
 138 Mass. 414.
 139 Mass. 559.
 147 Mass. 430.
 193 Mass. 190.
 194 Mass. 44.

Third, Public stocks and securities, except as provided in clause fifteenth of section five, bonds of railroads and street railways, stocks in turnpikes, bridges and moneyed corporations within or without this commonwealth, except as provided in section sixty-four of Part III.

Fourth, The income from an annuity, and the excess above two thousand dollars of the income from a profession, trade or employment accruing to the person to be taxed during the year ending on the first day of May of the year in which the tax is assessed. Incomes derived from property subject to taxation shall not be taxed.

PERSONS AND PROPERTY EXEMPT FROM TAXATION.

Exemptions.
 R. S. 7, § 5.
 G. S. 11, § 5.
 P. S. 11, § 5.

SECTION 5. The following property and polls shall be exempted from taxation:—

R. L. 12, § 5.
 4 Met. 564.
 8 Cush. 237.

4 Gray, 500.
 1 Allen, 199.
 12 Allen, 75.

116 Mass. 193.
 170 Mass. 160.
 7 Wallace, 16.

Property of the
 United States.

First, The property of the United States.

— of the com-
 monwealth.
 R. S. 7, § 5,
 cl. 1.
 1853, 122.

R. S. 7, § 5, cl. 1. G. S. 11, § 5, cl. 1. P. S. 11, § 5, cl. 1. R. L. 12, § 5, cl. 1.

Second, The property of the commonwealth, except real estate of which the commonwealth is in possession under a mortgage for condition broken.

G. S. 11, § 5, cl. 2.
 1867, 101.

P. S. 11, § 5, cl. 2.
 R. L. 12, § 5, cl. 2.

153 Mass. 141.
 185 Mass. 325.

— of chari-
 table, etc., in-
 stitutions.
 1830, 151, § 6.
 R. S. 7, § 5,
 cl. 2.
 G. S. 11, § 5,
 cl. 3.
 1874, 375, § 8.
 1878, 214.
 P. S. 11, § 5,
 cl. 3.
 1882, 217, § 2.
 1886, 231.
 1888, 158.
 1889, 465.
 R. L. 12, § 5,
 cl. 3.
 2 Cush. 611.
 12 Cush. 54.
 99 Mass. 599.
 101 Mass. 319.
 104 Mass. 470,
 481.
 113 Mass. 518.
 114 Mass. 337.
 116 Mass. 181,
 188.
 118 Mass. 164,
 362.

Third, The personal property of literary, benevolent, charitable and scientific institutions and of temperance societies incorporated within this commonwealth, the real estate owned and occupied by them or their officers for the purposes for which they are incorporated, and real estate purchased by them with the purpose of removal thereto, until such removal, but not for more than two years after such purchase. Such real or personal property shall not be exempt if any of the income or profits of the business of such corporation is divided among the stockholders or members, or is used or appropriated for other than literary, educational, benevolent, charitable, scientific or religious purposes, nor shall it be exempt for any year in which such corporation wilfully omits to bring in to the assessors the list and statement required by section forty-one.

120 Mass. 212.

129 Mass. 178.

136 Mass. 285.

142 Mass. 24.

154 Mass. 15.

172 Mass. 60.

182 Mass. 457.

145 Mass. 111, 139.

155 Mass. 329.

173 Mass. 232.

185 Mass. 310, 414.

147 Mass. 396, 427.

160 Mass. 409.

174 Mass. 144.

188 Mass. 409.

153 Mass. 85.

167 Mass. 505.

175 Mass. 118, 145, 293.

193 Mass. 168.

Fourth, The real and personal estate of incorporated agricultural societies and the portions of real estate and buildings of incorporated horticultural societies used for their offices, libraries and exhibitions.

Property of agricultural, etc., societies.
1851, 215.
G. S. 11, § 5, cl. 9.

1884, 176.

R. L. 12, § 5, cl. 4.

P. S. 11, § 5, cl. 9.

116 Mass. 189, 191.

Fifth, The real and personal estate of any grand army or veteran association, incorporated within this commonwealth for the purpose of owning property for use and occupation by posts of the grand army of the republic, to the extent of twenty thousand dollars, if it is actually used and occupied by such association and the net income from said property is used for charitable purposes in aid of needy soldiers of the war of the rebellion and their dependents; but it shall not be exempt for any year in which such association wilfully omits to bring in to the assessors the list and statement required by section forty-one.

— of grand army and veteran associations.
1882, 217, § 2.
1889, 465.
R. L. 12, § 5, cl. 5.

Sixth, The Bunker Hill Monument.

Bunker Hill Monument.

R. S. 7, § 5, cl. 3. G. S. 11, § 5, cl. 5. P. S. 11, § 5, cl. 5. R. L. 12, § 5, cl. 6.

Seventh, Houses of religious worship owned by, or held in trust for the use of, any religious organization and the pews and furniture; but the exemption shall not extend to portions of such houses appropriated for purposes other than religious worship or instruction.

Churches.
1821, 107, § 2.
R. S. 7, § 5, cl. 5.
1841, 127.
G. S. 11, § 5, cl. 7.
1865, 206, § 1.
P. S. 11, § 5, cl. 7.

R. L. 12, § 5, cl. 7.

127 Mass. 378.

155 Mass. 329.

1 Met. 538.

129 Mass. 178.

178 Mass. 404.

118 Mass. 164.

147 Mass. 397.

185 Mass. 310.

Eighth, Cemeteries, tombs and rights of burial, so long as they shall be dedicated to the burial of the dead.

Cemeteries.
1841, 114, § 7.
G. S. 11, § 5, cl. 8.

P. S. 11, § 5, cl. 8.

118 Mass. 354, 361.

152 Mass. 408.

R. L. 12, § 5, cl. 8.

150 Mass. 12.

Ninth, The property, to the amount of five hundred dollars, of a widow, of an unmarried woman above the age of twenty-one years, of a person above the age of seventy-five years or of any minor whose father is deceased, who are legal residents of the commonwealth, whether such property be owned by such persons separately, or jointly, or as tenants in common: *provided*, that the whole estate, real and personal, of such person does not exceed in value the sum of one thousand dollars, exclusive of property otherwise exempted under the provisions of this section. If the property of a person entitled to such exemption is taxable in more than one city or town, such proportion of the total exemption shall be made in each city or town as

Property of certain females, aged persons and minors.
1858, 43, § 1.
G. S. 11, § 5, cl. 10.
1878, 206, § 1.
1880, 143.
P. S. 11, § 5, cl. 10.
1885, 169.
R. L. 12, § 5, cl. 9.
1907, 367.
137 Mass. 272.

the value of the property taxable in such city or town bears to the whole of the property taxable in the commonwealth. No property shall be so exempt which the assessors shall adjudge has been conveyed to such person to evade taxation. A person aggrieved by such judgment may appeal to the county commissioners within the time and in the manner allowed by the provisions of section seventy-six.

Tenth, The polls and any portion of the estates of persons who by reason of age, infirmity and poverty are in the judgment of the assessors unable to contribute fully toward the public charges.

P. S. 11, § 5, cl. 12. R. L. 12, § 5, cl. 10. 137 Mass. 272. 165 Mass. 375.

Eleventh, The wearing apparel and farming utensils of every person; his household furniture not exceeding one thousand dollars in value; and the necessary tools of a mechanic not exceeding three hundred dollars in value.

1865, 206, § 1. P. S. 11, § 5, cl. 6. R. L. 12, § 5, cl. 11. 167 Mass. 371.

Twelfth, Mules, horses and neat cattle less than one year old, swine and sheep less than six months old and domestic fowls not exceeding fifteen dollars in value.

G. S. 11, § 5, cl. 11. P. S. 11, § 5, cl. 11. 1894, 220. R. L. 12, § 5, cl. 12. 7

Thirteenth, The property of the following classes of persons who are legal residents of this commonwealth to the amount of two thousand dollars in the case of each person: *provided*, that the whole estate, real and personal, of the person so exempted does not exceed in value the sum of five thousand dollars; and *provided, further*, that only two thousand dollars shall be exempted to any one family, and that the combined property of the family does not exceed five thousand dollars: First, Soldiers and sailors, who served in the military or naval service of the United States in the war of the rebellion and who were honorably discharged therefrom, and who, by reason of injury received or disease contracted while in such service and in the line of duty, lost the sight of both eyes, or lost the sight of one eye, the sight of the other having been previously lost, or who lost one or both feet, or one or both hands. Second, Soldiers and sailors who served as aforesaid and were honorably discharged as aforesaid, and who, as the result of disabilities contracted while in such service and in the line of duty, have become permanently incapacitated for the performance of manual labor to an extent equivalent, in the judgment of the assessors, to the loss of a hand or foot. Third, Wives or

Property
of indigent,
etc., persons.
1821, 107, § 6.
R. S. 7, § 5,
cl. 8.
G. S. 11, § 5,
cl. 13.

Household
furniture, etc.
1821, 107, § 2.
1829, 27, § 2.
R. S. 7, § 5,
cl. 4.
G. S. 11, § 5,
cl. 7.

Young cattle,
etc.
1821, 107, § 2.
R. S. 7, § 5,
cl. 6.

Property of
soldiers and
sailors.
1894, 315.
1895, 202.
1897, 148.
1898, 370.
R. L. 12, § 5,
cl. 13.
1907, 367.

widows of soldiers or sailors who would be entitled to exemption under either of the two preceding paragraphs. If the property of a person entitled to such exemption is taxable in more than one city or town, such proportion of the total exemption shall be made in each city or town as the value of the property taxable in such city or town bears to the whole of the property taxable in the commonwealth.

The certificate of the granting of a pension to any such soldier or sailor by the United States for such injury or disability shall, while such pension continues, be sufficient evidence of the receiving of such injury or disability; but the assessors may receive other evidence thereof. A person aggrieved by the judgment of the assessors may appeal to the county commissioners, within the time and in the manner allowed by the provisions of section seventy-six.

Fourteenth, Soldiers and sailors who served in the military or naval service of the United States in the war of the rebellion, and who were honorably discharged therefrom, shall be assessed for, but shall be exempt, at their request, from the payment of, a poll tax, and the property of soldiers and sailors who served as aforesaid and were honorably discharged as aforesaid, but who would not be entitled to exemption under the preceding clause, and the property of the wives or widows of such soldiers or sailors, shall be exempted from taxation to the amount of one thousand dollars in the case of each person: *provided*, that the combined estate, real and personal, of the person so exempted and of the husband or wife of such person does not exceed in value the sum of five thousand dollars, exclusive of the value of the mortgage interest, held by persons other than the person to be exempted in such mortgaged real estate as may be included in said combined estate; and *provided, further*, that the combined exemption of such a soldier or sailor and his wife shall not exceed one thousand dollars. If the property taxable in the commonwealth of a person entitled to such exemption is taxable in more than one city or town, such proportion of the total exemption shall be made in each city or town as the value of the property taxable in such city or town bears to the whole of the property taxable in the commonwealth. The widows of soldiers and sailors who served as aforesaid and who lost their lives in the war of the rebellion shall be entitled to such exemption as is specified in the preceding

Exemption
from taxation
of certain
veterans.
1906, 315, § 1.
1907, 367.

1906, 315, §12.

clause. No exemption shall be made under the provisions of this clause of the property of a person who is not a legal resident of this commonwealth.

Certain bonds.
1906, 493.

Fifteenth, Bonds or certificates of indebtedness of the commonwealth issued since the first day of January in the year nineteen hundred and six, stating on their face that they are exempt from taxation in Massachusetts.

Plantations of
timber trees.
1878, 131.
1880, 109.
P. S. 11, § 7.
R. L. 12, § 6.
111 Mass. 473.
118 Mass. 386.
137 Mass. 272.

SECTION 6. All plantations of chestnut, hickory, white ash, white oak, sugar maple, European larch and pine timber trees, in number not less than two thousand trees to the acre, upon land, not at the time of said planting woodland or sprout-land and not having been such within five years previously, the actual value of which at the time of planting does not exceed fifteen dollars per acre, shall, with such land, be exempt from taxation for a period of ten years after said trees have grown in height four feet on the average subsequently to such planting, upon satisfactory proof by the owners to the assessors of these facts; but such exemption shall not extend beyond the time during which said land is devoted exclusively to the growth of said trees.

Ships and ves-
sels engaged
in the foreign
carrying trade.
Return to
assessors of
valuation.
1881, 284,
§§ 1-6.
P. S. 11,
§§ 8-10.
1887, 373.
1889, 286.
1891, 116.
1893, 149.
1898, 353.
R. L. 14,
§§ 7-9.
1902, 374, § 3;
375.
137 Mass. 272.
198 U. S. 299.

SECTION 7. Persons or partnerships owning an interest in any ship or vessel which has during the period of its business in the year preceding the first day of May been engaged in the foreign carrying trade shall annually, within thirty days after the first day of May, make a return under oath to the assessors of the city or town where such persons reside or where such partnerships are taxable under the provisions of section twenty-eight, respectively, setting forth the name of the ship or vessel, their interest therein, and the value of such interest. If the assessors are satisfied of the truth of the return they shall assess an excise tax of one-third of one per cent upon such interest; and the person or partnership making such return shall be exempt from any tax upon said interest other than that assessed under the provisions of this section.

Land held by
a city or town
in another city
or town for a
water supply.
1893, 352, § 1.
R. L. 12, § 10.
180 Mass. 32.

SECTION 8. Property held by a city or town in another city or town for the purpose of a water supply, if yielding no rent, shall not be liable to taxation therein, but the city or town so holding it shall, annually in September pay to the city or town in which such property lies, an amount equal to that which such place would receive for taxes upon the average of the assessed values of such land, without buildings or other structures, for the three

years last preceding the acquisition thereof, the valuation for each year being reduced by all abatements thereon; but any part of such land or buildings from which any revenue in the nature of rent is received shall be subject to taxation.

SECTION 9. If such land is part of a larger tract which has been assessed as a whole, its assessed valuation shall be taken to be that proportional part of the valuation of the whole tract which the value of the land so acquired, exclusive of buildings, bore in the year of assessment to the value of the entire estate.

Valuation of
such land.
1893, 352, § 2.
R. L. 12, § 11.

SECTION 10. The assessors of a city or town in which land is acquired by another city or town for the purpose of a water supply shall, within one year after such acquisition, determine the said average valuation of such land, and certify the amount so determined to such other city or town. The mayor of a city or the selectmen of a town, within six months after receipt of said certificate, may appeal from such determination to the superior court for the county where the land lies; and said court shall determine such valuation in the manner provided in the two preceding sections, and the provisions of sections seventy-seven and seventy-eight, so far as applicable, shall govern such appeal.

Appeal from
such valuation.
1893, 352,
§§ 2, 3.
R. L. 12, § 12.
1903, 161.

If land within any city or town shall have been taken from such city or town for said purposes, and for any one of the three years prior to the taking shall have been used for any public purpose, and for that reason no taxes shall have been collected thereon, the city or town and the board or officer having charge of the water supply may within six years after the taking agree as to the value of the land upon which the annual payment is to be made as aforesaid from the time of the taking, and if they cannot agree the board or officer shall notify the city or town thereof; and thereupon the value shall be determined by the superior court under the provisions of said sections seventy-seven and seventy-eight, and said notice shall be deemed to be the notice referred to in said section seventy-seven. The provisions of this section and of the two preceding sections shall apply to property acquired for the purposes of the metropolitan water supply.

SECTION 11. The real estate and machinery of every private corporation organized under general or special laws of the commonwealth for the purpose of carrying on

Real estate
and machinery
of water com-
panies.
1907, 329.
192 Mass. 491.

within the commonwealth the business of a water company, except such corporations as by charter have been made exempt from taxation, shall be subject to local taxation. The valuation of real estate and machinery of every such company for the purposes of taxation shall annually be determined by the tax commissioner of the commonwealth and shall be certified by him to the board of assessors of the city or town in which the real estate and machinery are situated on or before the first day of May in each year, and the board of assessors of such city or town shall annually assess upon such water company a tax on the basis of the valuation so fixed, in the same manner and at the same rate as upon property of private individuals. When the certification has been made the city or town and the corporation concerned shall have the same right of appeal from the valuation therein set forth as is provided by section sixty-five of Part III. Any overpayment of a tax determined by the decision of the board of appeal, established by the said section, shall be repaid from the treasury of the city or town to which the same has been paid.

Leasehold estates on the Commonwealth Flats. 1904, 385. 193 Mass. 387, 586.

SECTION 12. The lands of the commonwealth, situate in that part of the city of Boston called South Boston and known as the Commonwealth Flats, shall, if leased for business purposes, be taxed by the city of Boston to the lessees thereof, respectively, in the same manner as the lands and buildings thereon would be taxed to such lessees if they were the owners of the fee, except that the payment of the tax shall not be enforced by any lien upon or sale of the lands; but a sale of the leasehold interest therein and of the buildings thereon may be made by the collector of the city of Boston in the manner provided by law in case of non-payment of taxes for selling real estate, for the purpose of enforcing the payment of the taxes by such lessees to the city of Boston assessed under the provisions hereof.

WHERE AND TO WHOM POLLS AND PROPERTY SHALL BE ASSESSED.

Poll tax, where assessed. 1780, 43. 1821, 107, § 3. 1830, 151, § 3. R. S. 7, § 6. G. S. 11, § 6. 1876, 225, §§ 1, 7.

SECTION 13. The poll tax shall be assessed upon each person liable thereto in the city or town of which he is an inhabitant on the first day of May in each year, except in cases otherwise provided for by law. The poll tax of minors liable to taxation shall be assessed to, and in the

place of the residence of, the parents, masters or guardians having control of the persons of such minors; but if a minor has no parent, master or guardian within the commonwealth, he shall be personally taxed for his poll, as if he were of full age. The poll tax of every other person under guardianship shall be assessed to his guardian in the place where the guardian is taxed for his own poll. In a city each inhabitant liable to assessment shall be assessed in the ward where he dwells; but no tax shall be invalid by reason of a mistake of the assessors in ascertaining the ward in which a person should be assessed.

126 Mass. 161, 166.

132 Mass. 93.

137 Mass. 272.

SECTION 14. A person liable to a poll tax, who is in a city or town on the first day of May, and who, when inquired of by the assessors thereof, refuses to state his legal residence, shall for the purpose of taxation be deemed an inhabitant of such place. If he designates another place as his legal residence, said assessors shall notify the assessors of such other place, who shall thereupon tax him as an inhabitant thereof; but he shall not be exempt from the payment of a tax legally assessed upon him in his legal domicile.

SECTION 15. Taxes on real estate shall be assessed, in the city or town in which the estate lies, to the person who is either the owner or in possession thereof on the first day of May, and the person appearing of record, in the records of the county, or of the district, if such county is divided into districts, in which the estate lies, as owner on the first day of May, even though deceased, shall be held to be the true owner thereof. Except as provided in the three following sections, mortgagors of real estate shall for the purpose of taxation be deemed the owners until the mortgagee takes possession, after which the mortgagee shall be deemed the owner.

138 Mass. 434.

148 Mass. 510.

129 Mass. 378.

132 Mass. 94.

139 Mass. 19.

149 Mass. 269.

175 Mass. 293.

186 Mass. 128.

143 Mass. 337.

152 Mass. 203.

180 Mass. 65.

192 Mass. 278.

185 Mass. 114, 398.

SECTION 16. If any person has an interest in real estate, not exempt from taxation under section five, as holder of a duly recorded mortgage given to secure the payment of a fixed and certain sum of money, the amount of his interest as mortgagee shall be assessed as real estate in the place where the land lies; and the mortgagor shall be assessed only for the value of such real estate after deducting the assessed value of the interest therein of such mort-

P. S. 11, § 11.

R. L. 12, § 13.

5 Pick. 369.

1 Met. 242,

250.

3 Met. 199.

4 Met. 181.

11 Cush. 362.

12 Cush. 44,

52, 54.

2 Gray, 484.

3 Gray, 493.

7 Gray, 299.

9 Gray, 357.

12 Gray, 21.

16 Gray, 337.

4 Allen, 462.

12 Allen, 111,

598.

124 Mass. 53,

132.

Person to be

taxed in place

where he

claims his

residence.

1850, 276.

G. S. 11, § 7.

P. S. 11, § 12.

R. L. 12, § 14.

Land, where

and to whom

taxed.

1780, 43.

1830, 151, § 3.

R. S. 7, § 7.

G. S. 11, § 8.

1881, 304, § 3.

P. S. 11, § 13.

1889, 84.

R. L. 12, § 15.

1902, 113.

1 Cush. 142.

7 Gray, 127,

277.

4 Allen, 57.

110 Mass. 47.

112 Mass. 535.

115 Mass. 32.

117 Mass. 233.

Taxation of

mortgaged

land.

1881, 304, § 1.

P. S. 11, § 14.

1882, 175, § 3.

R. L. 12, § 16.

135 Mass. 569.

137 Mass. 80.

159 Mass. 551.

179 Mass. 41,

74.

193 Mass. 190.

gagee. If such estate is situated in two or more places, the amount of the mortgagee's interest to be assessed in each place shall be proportioned to the assessed value of the mortgaged real estate in the respective places, deducting therefrom the taxable amount of prior mortgages, if any, thereon.

Statements of mortgage conclusive on mortgagee, when.

1881, 304, § 2.
P. S. 11, § 15.
R. L. 12, § 17.
1902, 112.
159 Mass. 553.
179 Mass. 41.
193 Mass. 190.

SECTION 17. If the holder of such mortgage fails to file in the assessors' office a statement under oath of all his estate liable to taxation under the preceding section, including a statement of the full amount remaining unpaid upon such mortgage and of his interest therein, the amount stated in the mortgage shall be conclusive as to the extent of such interest; but his interest in such real estate shall not be assessed at a greater sum than the fair cash valuation of the land and the structures thereon or affixed thereto; and the amount of a mortgage interest in an estate which has been divided after the creation of such mortgage need not be apportioned upon the several parts of such estate, except as provided in sections eighty-eight to ninety inclusive. Whenever, in any case of mortgaged real estate, a statement is not brought in as herein provided, no tax on such real estate for the year then current shall be invalidated for the reason that a mortgagee's interest therein has not been assessed to him.

Mortgagors and mortgagees joint owners for taxation.

1881, 304, § 3.
P. S. 11, § 16.
R. L. 12, § 18.
137 Mass. 80.
273.
159 Mass. 553.
179 Mass. 41.
193 Mass. 190.

SECTION 18. Mortgagors and mortgagees referred to in the two preceding sections shall for the purpose of taxation be deemed joint owners until the mortgagee takes possession; and until such possession is taken by a first mortgagee, an assessor or the collector of taxes, upon application, shall give to any such mortgagee or mortgagor a tax bill showing the whole tax on the mortgaged estate and the amount included in the valuation thereof as the interest of each mortgagee and of the mortgagor respectively. If the first mortgagee is in possession, he shall be deemed sole owner; and any other mortgagee in possession shall be deemed joint owner with prior mortgagees.

Certain railroad bonds to be deemed mortgages on real estate.

1889, 348.
R. L. 12, § 19.

SECTION 19. Bonds issued by the New York and New England Railroad Company for the payment of which first mortgages made as provided in chapter three hundred and one of the acts of the year eighteen hundred and eighty-eight are held as collateral security, and also the mortgage notes so held as collateral security, shall, for the purpose of taxation and for the purpose of exemption of deposits

in savings banks and institutions for savings from taxation, be deemed to be a loan on mortgage of real estate, taxable as real estate, and not otherwise.

SECTION 20. If a tenant paying rent for real estate is taxed therefor, he may retain out of his rent the taxes paid by him, or may recover the same in an action against his landlord, unless there is a different agreement between them.

G. S. 11, § 9.

P. S. 11, § 17.

R. L. 12, § 20.

115 Mass. 32.

142 Mass. 568.

189 Mass. 182.

Tenant may recover of landlord taxes paid.
1821, 107, § 3.
1830, 151, § 3.
R. S. 7, § 8.

SECTION 21. The undivided real estate of a deceased person may be assessed to his heirs or devisees, without designating any of them by name, until they have given notice to the assessors of the division of the estate and of the names of the several heirs or devisees; and each heir or devisee shall be liable for the whole of such tax, and when paid by him he may recover of the other heirs or devisees their respective proportions thereof.

Real estate of decedent, how taxable.
Heirs, etc., severally liable.
Contribution.
R. S. 7, § 12.
G. S. 11, § 10.
P. S. 11, § 18.
R. L. 12, § 21.
149 Mass. 270.
152 Mass. 219.

SECTION 22. The real estate of a person deceased, the right or title to which is doubtful or unascertained by reason of litigation concerning the will of the deceased or the validity thereof, may be assessed in general terms to his estate, and said tax shall constitute a lien upon the land so assessed and may be enforced by sale of the same or a part thereof, as provided for enforcing other liens for taxes on real estate.

— how taxable if title doubtful, etc.
1847, 226.
G. S. 11, § 11.
P. S. 11, § 19.
R. L. 12, § 22.
149 Mass. 270.

SECTION 23. All personal estate, within or without the commonwealth, shall be assessed to the owner in the city or town in which he is an inhabitant on the first day of May, except as provided in Part III. and in the following clauses of this section:—

R. L. 12, § 23.

7 Gray, 277.

104 Mass. 587.

132 Mass. 93.

1 Met. 242, 250.

9 Gray, 433.

109 Mass. 270.

135 Mass. 258.

4 Met. 181.

13 Gray, 488.

112 Mass. 384.

137 Mass. 332.

10 Cush. 65.

16 Gray, 292, 337.

124 Mass. 143.

158 Mass. 461.

11 Cush. 362.

9 Allen, 246.

125 Mass. 348.

180 Mass. 40, 458.

3 Gray, 494.

14 Allen, 366.

126 Mass. 161, 166.

181 Mass. 162, 195.

6 Gray, 579.

103 Mass. 279.

131 Mass. 424.

187 Mass. 168.

Assessment of personal estate.
1830, 151, § 2.
R. S. 7, §§ 9, 10.
1839, 139, § 2.
P. S. 11, § 12.
P. S. 11, § 20.

First, Goods, wares, merchandise and other stock in trade, except ships or vessels owned by a copartnership, and stock employed in the business of manufacturing or of the mechanic arts in cities or towns in the commonwealth, other than those in which the owners reside, whether such owners reside within or without the commonwealth, shall be taxed in the cities or towns in which the owners hire or occupy manufactories, stores, shops or wharves, whether such property is in said places or else—

— except stock in trade, etc., employed in other places.
1821, 107, § 5.
1830, 151, § 2.
R. S. 7, § 10, cl. 1.
1839, 139, § 1.
1859, 114.
G. S. 11, § 12, cl. 1.
P. S. 11, § 20, cl. 1.
R. L. 12, § 23, cl. 1.

1903, 437,
§ 71.
4 Met. 186.
4 Cush. 543.

Machinery
employed in
manufactur-
ing.
1830, 151, § 2.
R. S. 7, § 10,
cl. 2.
1837, 86.
G. S. 11, § 12,
cl. 2.
P. S. 11, § 20,
cl. 2.
1887, 125.
1889, 446.
1894, 304.
R. L. 12, § 23,
cl. 2.
4 Met. 181,
185.
13 Gray, 488.
12 Allen, 75,
316.
100 Mass. 183.
135 Mass. 258.
150 Mass. 155.
152 Mass. 372.
164 Mass. 142.
167 Mass. 517.
170 Mass. 354.
181 Mass. 211.
193 Mass. 274.

Horses, etc.
1821, 107, § 3.
1830, 151, § 2.
R. S. 7, § 10,
cl. 3.
1839, 139, § 2.
1857, 301, § 1.
G. S. 11, § 12,
cl. 3.
P. S. 11, § 20,
cl. 3.
R. L. 12, § 23,
cl. 3.

Property of
persons under
guardianship.
R. S. 7, § 10,
cl. 4.
1855, 106.
1859, 258.
G. S. 11, § 12,
cl. 4.
P. S. 11, § 20,
cl. 4.

Trust
property.
R. S. 7, § 10,
cl. 5.
G. S. 11, § 12,
cl. 5.
P. S. 11, § 20,
cl. 5.

where on the first day of May of the year when the tax is assessed. The merchandise of a foreign corporation shall be assessed in the city or town where it is situated.

10 Cush. 65.	101 Mass. 329.	150 Mass. 155.	187 Mass. 168.
6 Gray, 579.	139 Mass. 17, 266.	151 Mass. 242.	193 Mass. 545.
13 Gray, 491.	145 Mass. 110.	161 Mass. 9, 326.	194 Mass. 127.

Second, Machinery employed in any branch of manufactures, including machines used or operated under a stipulation providing for the payment of a royalty, or compensation in the nature of a royalty, for the privilege of using or operating the same, and all personal property within the commonwealth leased for profit, shall be assessed where such machines or such personal property are located, to the owner or any person having possession of the same on the first day of May. If machinery, located in a city or town other than that of which the owner is an inhabitant, is assessed therein and it is also assessed in the place of which the owner is an inhabitant, he may pay the taxes in the place where the machinery is located, and upon proof thereof to the collector of the place whereof he is an inhabitant, he shall be relieved from the payment of taxes therein on said machinery; but the place of which the owner is an inhabitant may bring suit against the place where the machinery is located to determine to which place the tax lawfully belongs.

Third, Horses, mules, neat cattle, sheep and swine kept throughout the year in cities or towns other than those in which the owners reside, whether such owners reside within or without the commonwealth, and horses employed in stages or other vehicles for the transportation of passengers for hire shall be assessed to the owners in the places where they are kept.

8 Allen, 330.	130 Mass. 478.	145 Mass. 110.	152 Mass. 594.
---------------	----------------	----------------	----------------

Fourth, Personal property belonging to persons under guardianship shall be assessed to the guardian in the city or town of which the ward is an inhabitant unless the ward resides and has his home without the commonwealth, in which case it shall be taxed to the guardian in the city or town of which he is an inhabitant.

R. L. 12, § 23, cl. 4.

2 Gray, 494.	4 Allen, 462.	105 Mass. 528.	145 Mass. 111.
--------------	---------------	----------------	----------------

Fifth, Personal property held in trust by an executor, administrator or trustee, the income of which is payable to another person, shall be assessed to the executor, administrator or trustee in the city or town in which such

other person resides, if within the commonwealth; and if he resides out of the commonwealth it shall be assessed in the place where the executor, administrator or trustee resides; and if there are two or more executors, administrators or trustees residing in different places, the property shall be assessed to them in equal portions in such places, and the tax thereon shall be paid out of said income. If the executor, administrator or trustee is not an inhabitant of the commonwealth, it shall be assessed to the person to whom the income is payable, in the place where he resides, if it is not legally taxed to an executor, administrator or trustee under a testamentary trust in any other state.

Sixth, Personal property placed in the hands of a corporation or individual as an accumulating fund for the future benefit of heirs or other persons shall be assessed to such heirs or persons, if within the commonwealth, otherwise to the person so placing it, or his executors or administrators, until a trustee is appointed to take charge of such property or of the income thereof.

121 Mass. 351. 123 Mass. 355. 124 Mass. 193. 147 Mass. 427.

Seventh, Personal property of deceased persons shall be assessed in the city or town in which the deceased last dwelt. Before the appointment of an executor or administrator it shall be assessed in general terms to the estate of the deceased, and the executor or administrator subsequently appointed shall be liable for the tax so assessed as though assessed to him. After such appointment it shall be assessed to such executor or administrator for three years or until it has been distributed and notice of such distribution has been given to the assessors stating the name and residence of the several parties interested in the estate who are inhabitants of the commonwealth and the amount paid to each. After three years from the date of such appointment it shall be assessed according to the provisions of clause five of this section.

Eighth, Personal property taxable as such, held in trust by assignees under the insolvent law or under any bankrupt law or any voluntary assignment for the benefit of creditors, shall be assessed to such assignees in the place where the insolvent, bankrupt or assignor had his principal place of business, if any; otherwise in the place of his residence.

1894, 490.
R. L. 12, § 23,
cl. 5.
5 Cush. 93.
6 Gray, 132.
6 Allen, 277.
105 Mass. 528.
124 Mass. 194.
140 Mass. 346.
145 Mass. 111.
147 Mass. 431.
165 Mass. 287.
180 Mass. 40.
184 Mass. 460.
194 Mass. 44.

Personal
property held
as an accumu-
lating fund.
R. S. 7, § 10,
cl. 6.
G. S. 11, § 12,
cl. 6.
P. S. 11, § 20,
cl. 6.
R. L. 12, § 23,
cl. 6.
13 Allen, 267.

— of decedents.
R. S. 7, § 10,
cl. 7.
1848, 235.
1852, 234.
G. S. 11, § 12,
cl. 7.
1878, 189, § 2.
P. S. 11, § 20,
cl. 7.
R. L. 12, § 23,
cl. 7.
5 Pick. 236.
4 Cush. 1.
6 Allen, 277.
97 Mass. 322.
102 Mass. 348.
123 Mass. 376.
149 Mass. 63.
154 Mass. 143.
161 Mass. 9.
176 Mass. 77.
182 Mass. 195.

— of insol-
vents, etc.
1882, 165.
R. L. 12, § 23,
cl. 8.

Personal property of joint tenants.

1882, 165.
R. L. 12, § 23, cl. 9.
180 Mass. 40.

Assessment of underground conduits, etc.
1902, 342, § 1.
193 Mass. 274.

Separate assessment of personal property held in trust for several beneficiaries.

1878, 189, § 1.
P. S. 11, § 21.
R. L. 12, § 24.
124 Mass. 193.
145 Mass. 111.
165 Mass. 292.

Ministerial fund.

R. S. 7, § 10, cl. 8.
G. S. 11, § 13.
P. S. 11, § 22.
R. L. 12, § 25.
19 Pick. 542.
12 Cush. 54.

Personal property mortgaged.

R. S. 7, § 11.
G. S. 11, § 14.
P. S. 11, § 23.
1888, 413, § 20.
R. L. 12, § 26.
10 Met. 334.
10 Allen, 100.
193 Mass. 522.

Partners, how taxed.

R. S. 7, § 13.
1859, 114.
G. S. 11, § 15.
P. S. 11, § 24.
R. L. 12, § 27.

Ninth, Personal property of joint owners or tenants in common, other than partners, shall be assessed to such owners according to their respective interests, in the cities or towns in which they respectively reside.

Tenth, Underground conduits, wires and pipes laid in public streets by any corporation, except street railway companies, shall be assessed to the owners thereof in the cities or towns in which they are laid.

SECTION 24. If personal property belonging to two or more persons under guardianship, or personal property held in trust by an executor, administrator or trustee, the income of which is payable to two or more persons, or if personal property placed in the hands of a corporation or individual as an accumulating fund for the future benefit of two or more heirs or other persons, is assessed under the preceding section by the assessors of a city or town in whole or in part, they shall, upon request in writing, made within the time specified by them for the bringing in of lists under the provisions of section forty-one and stating the names, domicils and proportionate shares of such wards, cestuis que trust, heirs or other persons, make separate assessments so as to distinguish how much of such personal property is assessed in respect to each. If any such assessment is illegally made, the taxes paid thereon may be recovered back in an action at law in the same manner as in other cases of illegal assessment.

SECTION 25. Real estate held by a religious society as a ministerial fund shall be assessed to its treasurer in the town in which it lies. Personal property so held shall be assessed in the town in which such society usually holds its meetings.

147 Mass. 398.

SECTION 26. Personal property mortgaged or pledged shall for the purpose of taxation be deemed the property of the party in possession thereof on the first day of May and money deposited with a safe deposit, loan and trust company which can be withdrawn on demand or upon not more than ten days' notice shall be deemed to be money in possession of the person to whom it is payable.

SECTION 27. Partners, whether residing in the same or in different cities or towns, may be jointly taxed under their firm name, in the place where their business is carried on, for all the personal property employed in such busi-

ness, except ships or vessels. If partners have places of business in two or more towns, they shall be taxed in each of such places for the proportion of property employed therein. If so jointly taxed, each partner shall be liable for the whole tax.

9 Cush. 298.
7 Gray, 132.
14 Allen, 366.
105 Mass. 526.
111 Mass. 322.
125 Mass. 351.
130 Mass. 144.
133 Mass. 499.

140 Mass. 346.

163 Mass. 444.

137 Mass. 227

172 Mass. 383, 464.

SECTION 28. Ships or vessels owned by a partnership shall be assessed to the several partners in their places of residence, if within the commonwealth, proportionally to their interests therein; but the interests of the several partners who reside without the commonwealth shall be assessed to the partnership in the place where its business is carried on.

Ships of co-
partners, how
assessed.
1859, 114.
G. S. 11, § 16.
1870, 328, § 1.
P. S. 11, § 25.
R. L. 12, § 28.
10 Gray, 97.
14 Allen, 369.
125 Mass. 351

EVASION OF TAXATION.

SECTION 29. Whoever in any way directly or indirectly proposes or agrees to an assessment on any specific or limited amount less than that for which he is liable by law to be taxed, with the purpose or as an inducement to make any particular place his residence for the purpose of taxation, shall be punished by a fine of one thousand dollars; and an assessor guilty of making or assenting to any such proposal shall be subject to a like penalty.

Agreement for
under valuation
as inducement
to residence.
G. S. 11, § 26.
P. S. 11, § 26.
R. L. 12, § 29.
12 Allen, 599.

SECTION 30. Whoever avoids taxation by wilfully and designedly changing or concealing his residence, or by any other act with the intent so to avoid taxation, shall be punished by a fine of twice the amount of the last tax paid by him, or, if he has paid no tax in the commonwealth, by a fine of not less than one hundred nor more than five thousand dollars; and he may be indicted in the county in which any of the acts or things made criminal by the provisions of this section are done or in the county in which he is liable to taxation.

Evasion of tax-
ation, etc., by
concealment of
residence, etc.
1864, 172,
§§ 1, 2.
P. S. 11, § 27.
R. L. 12, § 30.
124 Mass. 56,
148.
147 Mass. 592.

SECTION 31. A shareholder in a corporation who, with intent to evade taxation, fraudulently transfers a share of its stock, or fraudulently causes or procures a certificate of a share to be issued to any person other than himself or in any name other than his own; or who refuses to inform, or wilfully misinforms, the corporation respecting his name or residence; or, having changed his residence to another city or town in the commonwealth, wilfully omits to give notice thereof to any corporation in the commonwealth in which he is a shareholder, shall forfeit one-half of the par value of the shares so trans-

For fraudulent
transfers of
stock.
1864, 201, § 4.
P. S. 11, § 28.
R. L. 12, § 31.
13 Gray, 539.

ferred, issued to or owned by him in the stock of such corporation to the use of the city or town in which he resides.

False returns
or lists to as-
sessors.
1869, 190.
P. S. 11, § 29.
R. L. 12, § 32.
112 Mass. 218.
134 Mass. 432.
137 Mass. 273.

SECTION 32. Whoever, with intent to defeat or evade the provisions of law as to the assessment or payment of taxes, delivers or discloses to an assessor or assistant assessor a false or fraudulent list, return or schedule of property, as and for a true list of his estate not exempt from taxation, shall be punished by a fine of not more than one thousand dollars or by imprisonment for not more than one year.

Refusal, etc.,
of information
by keepers of
taverns, etc.
1837, 176.
G. S. 11, § 21.
P. S. 11, § 30.
R. L. 12, § 33.
137 Mass. 273.

SECTION 33. Keepers of taverns and boarding houses and masters and mistresses of dwelling houses, shall, upon application of an assessor of the city or town in which their house is situated, give the names of all persons residing therein who are liable to be assessed for taxes. Every such keeper, master or mistress refusing to give such information, or knowingly giving false information, shall be punished by a fine of twenty dollars for each offence.

DUTY AND MANNER OF ASSESSING TAXES.

Treasurer and
receiver gen-
eral to send his
warrants.
R. S. 7, § 14.
G. S. 11, § 17.
1867, 166.

SECTION 34. When a state tax is to be assessed, the treasurer and receiver general shall send his warrants for the assessment thereof by mail to the assessors of the several cities and towns.

P. S. 11, § 31. R. L. 12, § 34.

Assessment of
taxes pursuant
to this chapter.
1785, 50,
§§ 4, 8.
1821, 107, § 7.
R. S. 7, § 16.
G. S. 11, § 18.
1870, 332, § 2.
P. S. 11, § 32.
R. L. 12, § 35.

SECTION 35. The assessors shall assess, according to the provisions of this part, state taxes for which they receive such warrants, county taxes duly certified to them, city or town taxes voted by their respective cities or towns and all taxes duly voted and certified by fire and other districts therein.

12 Met. 178. 117 Mass. 469. 119 Mass. 77. 126 Mass. 476.

Rate of taxa-
tion, how
ascertained in
places having
national banks.
1868, 349, § 5.
1871, 390, § 4.
1872, 321,
§ 13.
1873, 315, § 4.
P. S. 11, § 33.
R. L. 12, § 36.
101 Mass. 575.

SECTION 36. Assessors of cities and towns in which a national bank or banking association is located shall, for the purpose of ascertaining the rate at which taxes shall be assessed, omit from the valuation upon which the rate is to be based the value of all shares held by non-residents of said cities and towns, and no tax of any city or town shall be invalidated by reason of any excess, in consequence of the provisions of this section, of the amount of such tax over the amount to be raised.

Amount of
annual assess-
ment.
Deductions.
1875, 209, § 1.

SECTION 37. The assessors shall annually assess taxes to an amount not less than the aggregate of all amounts appropriated, granted or lawfully expended by their re-

spective cities or towns since the last preceding annual assessment and not provided for therein, of all amounts which are required by law to be raised by taxation by the said cities or towns during said year and of all amounts necessary to satisfy final judgments against the said cities or towns; but such assessments shall not include liabilities for the payment of which cities or towns have lawfully voted to contract debts. The assessors may deduct the amount of all the estimated receipts of their respective cities or towns, except from loans or taxes, which are lawfully applicable to the payment of the expenditures of the year from the amount required to be assessed; but such deduction shall not exceed the amount of such receipts during the preceding year.

P. S. 11, § 34.
R. L. 12, § 37.
114 Mass. 592.

SECTION 38. The assessors of a city or town owing debts incurred to obtain funds for subscriptions for the capital stock and securities of a railroad corporation shall annually assess, in addition to the other amounts required by law, an amount sufficient to pay the excess of such interest payable by such city or town, over any income received from such stock or securities.

Amount of annual assessment to include interest on debt for railroad subscriptions.
1876, 133, § 3.
P. S. 11, § 35.
R. L. 12, § 38.

SECTION 39. If the assessors neglect to assess a state, county, town or district tax required by law, each assessor so neglecting shall forfeit not more than two hundred dollars; and the commissioners of the respective counties shall forthwith appoint other persons to assess such taxes who shall take the same oath, perform the same duties and be liable to the same penalties as assessors of cities and towns.

Penalty on assessors for neglect of duty.
Appointment of substitutes.
1785, 50, § 4.
R. S. 7, §§ 17, 18.
G. S. 11, § 19.
P. S. 11, § 36.
R. L. 12, § 39.

SECTION 40. If within five months after the receipt of a warrant from the treasurer and receiver general or of a certificate from the county commissioners requiring the assessment of a tax, it is not assessed and certified as required by law, the amount of the tax may be recovered of the city or town where the neglect occurs in an action of contract by the treasurer and receiver general or the treasurer of the county respectively.

Liability of town, etc., to action for tax not assessed.
1831, 64, §§ 2, 3.
R. S. 8, § 37.
G. S. 11, § 20.
P. S. 11, § 37.
R. L. 12, § 40.

SECTION 41. Assessors before making an assessment shall give seasonable notice thereof to all persons, firms and corporations, domestic or foreign, subject to taxation in their respective cities and towns. Such notice shall be posted in one or more public places in each city or town, or shall be given in some other sufficient manner,

Notice of assessment and lists of property.
1785, 50, § 9.
R. S. 7, § 19.
G. S. 11, § 22.
1877, 160, § 1.
P. S. 11, § 38.
1882, 175, § 2;
217, §§ 1, 4.

1888, 323.
 R. L. 12, § 41.
 1903, 157.
 12 Met. 211.
 8 Cush. 55.
 8 Gray, 511.
 1 Allen, 199.
 100 Mass. 272.
 101 Mass. 89.
 114 Mass. 224.
 131 Mass. 424.
 135 Mass. 566.
 137 Mass. 266.
 154 Mass. 147.
 160 Mass. 217.
 166 Mass. 298.
 179 Mass. 486.
 186 Mass. 361.
 193 Mass. 168.
 189 U. S. 255.

Form of lists.
 1882, 217, § 3.
 1894, 294.
 R. L. 12, § 42.

— to be verified by oath.
 1785, 50, § 9.
 R. S. 7, § 20.
 G. S. 11, § 23.
 P. S. 11, § 39.
 1891, 381.
 R. L. 12, § 43.
 1 Allen, 199.
 101 Mass. 89.
 131 Mass. 424.
 193 Mass. 168.

and shall require the said persons, firms and corporations to bring in to the assessors, before a date therein specified, in case of residents a true list of all their polls and personal estate not exempt from taxation, and in case of non-residents and foreign corporations a true list of all their personal estate in that city or town not exempt from taxation, and may or may not require such list to include their real estate which is subject to taxation in that city or town. It shall also require all persons and corporations, except corporations making returns to the insurance commissioner as required by section nineteen of chapter five hundred and seventy-six of the acts of the year nineteen hundred and seven, to bring in to the assessors before a date therein specified, which shall not be later than the first day of July then following, unless the assessors for cause shown extend the time to the first day of August, true lists of all real and personal estate held by them respectively for literary, temperance, benevolent, charitable or scientific purposes on the preceding first day of May, or at the election of such corporation on the last day of its financial year last preceding said first day of May, and to state the amount of receipts and expenditures for said purposes during the year last preceding said days. The notice shall contain the provisions of section forty-five.

SECTION 42. The tax commissioner shall annually prepare instructions for bringing in the lists required by the preceding section, and shall prescribe forms therefor so arranged that the statement of the person, firm or corporation bringing it in will include all assessable property held by such person, firm, or corporation, and the assessors shall furnish blank lists containing such instructions and forms to any person, firm or corporation liable to taxation. The tax commissioner shall also cause forms for the lists and statements required by the preceding section relative to property held for literary, benevolent, charitable or scientific purposes to be printed and distributed to assessors.

SECTION 43. The assessors shall in all cases require a person, firm or corporation bringing in a list to make oath that it is true. The oath may be administered by any of the assessors or by their secretary or head clerk. If the person, firm or corporation bringing such list is absent from the place in which the tax is to be assessed during the whole period when such oath may be made, it may be

administered by a notary public, whose jurat shall be duly authenticated by his seal.

SECTION 44. Such lists shall be open to the inspection of the assessors, their assistants and clerks and of the tax commissioner and his deputy, but so much of the lists as shows the details of the personal estate to that of no other person except by the order of a court. The lists shall be preserved by the assessors until the tax commissioner orders them to be destroyed.

Inspection of lists.
1898, 507, § 1.
R. L. 12, § 44.

SECTION 45. A mortgagor or mortgagee of real estate may bring in to the assessors of the city or town in which it lies, within the time prescribed by the notice under section forty-one, a statement under oath of the amount secured thereon or on each separate parcel thereof, with the name and residence of every holder of an interest therein as mortgagor or mortgagee. If such property is situated in two or more places, or if a recorded mortgage includes two or more estates or parts of an estate as security for one sum, such statement shall include an estimate of the interest of the mortgagee in each estate or part of an estate. The assessors shall, from such statement or otherwise, ascertain the proportionate interests of the mortgagor or mortgagee respectively in said estates, and shall assess the same accordingly. If, in any year, such statement is not brought in, the tax for that year on such real estate shall not be invalid merely for the reason that the interest of the mortgagee therein has not been assessed to him.

Returns by mortgagor or mortgagee.
1882, 175, § 1.
R. L. 12, § 45.

SECTION 46. They shall receive as true, except as to valuation, the list brought in by each person, firm or corporation, unless, on being thereto required by the assessors, such person, firm or corporation refuses to answer on oath all necessary inquiries as to the nature and amount of their property.

Lists to be taken as true, unless.
1785, 50, § 9.
R. S. 7, § 22.
G. S. 11, § 25.
P. S. 11, § 40.
R. L. 12, § 46.
12 Met. 211.

8 Cush. 64. 10 Allen, 100. 112 Mass. 218.
131 Mass. 424. 134 Mass. 431. 166 Mass. 298. 193 Mass. 522.

SECTION 47. They shall ascertain as nearly as possible the particulars of the personal estate, and of the real estate in possession or occupation, as owner or otherwise of any person, firm or corporation which has not brought in such list, and shall estimate its just value, according to their best information and belief.

Estimate of value, in default of list.
1785, 50, § 1.
R. S. 7, § 23.
G. S. 11, § 27.
P. S. 11, § 41.
R. L. 12, § 47.
8 Cush. 63.

2 Allen, 594. 130 Mass. 565.
137 Mass. 270. 152 Mass. 372. 179 Mass. 486. 189 U. S. 255.

SECTION 48. Such estimate shall be entered in the valuation book, and, except as provided in sections forty-

— to be conclusive, when.
1785, 50, § 9.
R. S. 7, § 24.

G. S. 11, § 28.
P. S. 11, § 42.
R. L. 12, § 48.
4 Met. 181.
5 Cush. 97.
8 Cush. 63.

Last assessment on executor, etc., to be deemed the valuation in default of list.
1878, 189, § 3.
P. S. 11, § 44.
R. L. 12, § 50.
154 Mass. 146.

one and seventy-three, shall be conclusive upon any person, firm or corporation which has not seasonably brought in such list, unless such person, firm or corporation can show a reasonable excuse for the omission.

SECTION 49. After personal property has been legally assessed in any city or town to an executor, administrator or trustee, an amount not less than that last assessed by the assessors of such city or town in respect of such property shall be deemed to be the sum assessable, until a true list of such property is brought in to the assessors in accordance with the provisions of section forty-one.

ASSESSMENT OF TAXES.

Valuation.
1785, 50, § 1.
R. S. 7, § 24.
1853, 319, § 1.
G. S. 11, § 24.
P. S. 11, § 45.
1889, 115.
R. L. 12, § 51.
4 Gray, 254.

State, county and town taxes in one assessment.
1785, 50, § 14.

County and city taxes in Boston.
1821, 109, § 13.
R. S. 7, § 26;
14, § 34.
G. S. 11, § 30.
P. S. 11, § 47.
R. L. 12, § 53.
21 Pick. 64.

Rate of taxation in cities.
1885, 178, § 1;
312, § 1.
1887, 281.
1893, 247, 445.
1900, 399.
1901, 264.
R. L. 12, § 54.

SECTION 50. The assessors of each city and town shall at the time appointed therefor make a fair cash valuation of all the estate, real and personal, subject to taxation therein, and, in cities, the assessors may, in any year, divide any ward into convenient assessment districts.

152 Mass. 372.

163 Mass. 283.

SECTION 51. The assessors may include state, county and town taxes, or any two of them, in the same assessment.

1823, 138, § 2.

R. S. 7, § 25.

G. S. 11, § 29.

P. S. 11, § 46.

R. L. 12, § 52.

SECTION 52. In the city of Boston all taxes assessed for county or city purposes may be assessed separately as county taxes and as city taxes, or under the name of city taxes only, as the city council shall direct. The city of Chelsea and the towns of Revere and Winthrop shall not be taxed for county purposes.

SECTION 53. The taxes assessed on property exclusive of the state tax, county tax and sums required by law to be raised on account of the city debt shall not in any year exceed twelve dollars in any city on every one thousand dollars of the assessors' valuation of the taxable property therein for the preceding year, said valuation being first reduced by the amount of all abatements allowed thereon previous to the thirty-first day of December in the year preceding said assessment, subject to the following provisions: — If the city council of a city which contains less than one hundred thousand inhabitants according to the last preceding national or state census so determines, the average of the assessors' valuation of the taxable property therein for the preceding three years, said

valuation for each year being first reduced by the amount of all abatements allowed thereon previous to the thirty-first day of December in the year preceding said assessment, shall be used to determine said limit of taxation instead of said assessors' valuation of the preceding year. In the city of Boston, and in all cities which contain one hundred thousand inhabitants or more according to the census aforesaid, said average shall be so used. In the city of Boston, said taxes shall not exceed ten and one-half dollars instead of twelve dollars as aforesaid. Any order or appropriation requiring a larger assessment than is herein limited shall be void. The provisions of this section shall not affect any existing exemption from the operation of the corresponding provisions of earlier laws.

SECTION 54. The assessors may, for the purpose of avoiding fractional divisions of the amount to be assessed in the apportionment thereof, add to that amount not more than five per cent thereof, although the limit of taxation may by such overlay be exceeded.

R. L. 12, § 55.

126 Mass. 97.

SECTION 55. The assessors shall make, upon the books furnished under the provisions of section fifty-seven, a list of the valuation and the assessment thereon, in the following manner:—In separate columns the valuation of the stock in trade of each person, the number and value of his live stock and the valuation of machinery used in manufacturing establishments. In another column marked "All other ratable estate" the aggregate valuation of all the other personal estate shall be entered. The total amount of the taxable personal property shall be shown, but without other detail or specification than is provided herein. Before the taxes are committed for collection they shall deposit the books, or an attested copy thereof, in their office or, if there is no office, with their chairman, for public inspection.

SECTION 56. The first part of the list shall exhibit the valuation and assessment of the polls and estates of the inhabitants assessed; the second part shall exhibit the valuation and assessment of the estates of non-resident owners, and shall contain in separate columns, the names of the non-resident owners of the property assessed, or such description of them as can be given, their places of abode, if known, the description of their estate, the true value of such estate, and the tax thereon.

Overlay of taxes.

1785, 50, § 11.
1828, 143, § 4.
R. S. 7, § 28.
G. S. 11, § 32.
P. S. 11, § 49.
1887, 226.
1893, 445.

Assessors to make valuation list in books, and deposit copy in office.

1785, 50, § 8.
1823, 139, § 3.
R. S. 7, § 29.
G. S. 11, § 33.
1861, 167.
P. S. 11, § 50.
1888, 307.
1898, 507, § 2.
R. L. 12, § 56.
2 Gray, 298.
2 Allen, 594.
102 Mass. 148.
127 Mass. 505.

List to exhibit valuation of residents and non-residents.

1828, 143, § 5.
R. S. 7, § 30.
G. S. 11, § 34.
1861, 167.
P. S. 11, § 51.
R. L. 12, § 57.
21 Pick. 64.
16 Gray, 293.
2 Allen, 594.
102 Mass. 151.
151 Mass. 228.
192 Mass. 278.

Secretary of
common-
wealth to
furnish books
to assessors.
1861, 167, § 1.
1879, 72, § 2.
P. S. 11, § 52.
1883, 41, § 1.
1887, 86, § 2.
1890, 242, § 2.

SECTION 57. The secretary of the commonwealth shall provide each city and town, on or before the first day of May annually, suitable books for the use of the assessors in the assessment of taxes, which shall contain blank columns, with uniform headings for a valuation list, and blank tables for aggregates, in the following form:—

1891, 65.

1898, 507, § 2.

R. L. 12, § 58.

1907, 181.

Form of valua-
tion list.

VALUATION LIST FOR THE

OF

MAY 1, 19

NAMES AND RESIDENCES OF PERSONS ASSESSED. (<i>Give street and number of residence.</i>)	Number of taxable polls.	Total cash tax on polls.	Value of each person's whole stock in trade.	Value of machinery used in manufacturing establishments.	Number of live stock, each kind specified separately.	Value of each kind of live stock.	Value of all other ratable personal estate in one item.	Aggregate of each person's ratable personal estate.	Total tax on personal estate.

Buildings of all kinds, described by naming their uses.	Value of buildings, exclusive of land.	Description, 'by name' or otherwise, of each and every lot of land owned by each person.	Number of acres or feet in each lot of land.		Value of same.	Total value of each parcel of real estate.	Aggregate value of real estate.	Total tax on real estate.	Total cash tax on polls, personal and real estate.
			Acres.	Feet.					

— of table of
aggregates.

TABLE OF AGGREGATES.

FOR THE

OF

OF POLLS, PROPERTY, TAXES, ETC., AS ASSESSED MAY 1, 19

Number of real- dents assessed on property.	Number of non- residents as- sessed on prop- erty.	Number of per- sons assessed.	Number of male polls assessed.	Tax on each male poll.	Value of assessed personal estate.	Value of assessed real estate.	Total valuation of assessed estate May 1.
Individuals.	Individuals.	† On property.			Excluding resi- dent bank stock.	Buildings, ex- cluding land.	
* All others.	* All others.	For poll tax only.			Resident bank stock.	Land, exclud- ing buildings.	
Total.	Total.	Total.			Total.	Total.	

* Firms, corporations, associations, institutions, trustees, etc.

† On property; the total of the first two columns.

Tax for state, county and city or town purposes, including overlayings.		Rate of total tax per \$1,000.	Number of horses assessed.	Number of cows assessed.	Number of sheep assessed.	Number of neat cattle, other than cows, assessed.	Number of swine assessed.	Number of dwelling houses assessed.	Number of acres of land assessed.	Number and value of fowl assessed.
Dollars.	Cts.									
On personal estate.										Number.
On real estate.										Value.
On polls.										
Total.										

SECTION 58. The assessors shall enter in the books so furnished the valuation and assessment of the polls and estates of the inhabitants assessed, as directed in the headings of the various columns and as follows: —

Stock in trade shall include all goods, wares and merchandise at home or abroad, of ratable estate, whether paid for or otherwise. Machinery shall include steam engines.

In cotton and linen factories state number of spindles and looms used in each.

In woollen factories state number of sets of cards used in each.

State the value of each building described including therein water-wheels but excluding land and water power and machinery used in the building.

In description of lots of land state the number of quartz-sand beds, stone quarries and ore beds therein.

SECTION 59. The assessors shall fill up the table of aggregates by an enumeration of the necessary items included in the lists of valuation and assessments required by law, and shall annually, on or before the first day of October, deposit in the office of the secretary of the commonwealth an attested copy of the same, containing, — First. The number of residents assessed on property, specifying the number of individuals and the number of firms, corporations, associations, institutions, trustees, and so forth. Second. The number of non-residents assessed

How blanks in list shall be filled.

1861, 167, § 2.
1879, 72, § 1.
P. S. 11, § 53.
1883, 41, § 2.
1898, 507, § 2.
R. L. 12, § 59.
127 Mass. 502.
138 Mass. 529.
143 Mass. 299.
151 Mass. 227.
152 Mass. 372.
185 Mass. 114.

Assessors to fill up table of aggregates and deposit copy with secretary of commonwealth annually.

1861, 167, § 3.
1864, 210, § 2.
1879, 72, § 2.
P. S. 11, § 54.
1885, 106.
1886, 56.
1887, 86, § 1.
1890, 242, § 1.
1891, 65.
R. L. 12, § 60.

on property, specifying the number of individuals and the number of firms, corporations, associations, institutions, trustees, and so forth. Third. The whole number of persons assessed, specifying the number assessed for a tax on property and the number assessed for a poll tax only. Fourth. The number of polls assessed. Fifth. The tax on each poll. Sixth. The value of personal estate assessed, specifying the value of the same excluding resident bank stock, and the value of resident bank stock. Seventh. The value of real estate assessed, specifying the value of buildings exclusive of land and of land exclusive of buildings. Eighth. The total valuation of assessed estate in the city or town. Ninth. The tax for state, county and city or town purposes, including overlays, specifying the amount assessed on personal estate, on real estate and on polls. Tenth. The rate of total tax per one thousand dollars. Eleventh. The number of horses assessed. Twelfth. The number of cows assessed. Thirteenth. The number of sheep assessed. Fourteenth. The number of neat cattle, other than cows, assessed. Fifteenth. The number of swine assessed. Sixteenth. The number of dwelling-houses assessed. Seventeenth. The number of acres of land assessed. Eighteenth. The number and value of fowl assessed.

The city of Boston may deposit said copy in the office of the secretary annually on or before the first day of November.

SECTION 60. The assessors of cities and towns, except the city of Boston, shall, on or before the first day of October in the year nineteen hundred and four and in every third year thereafter, deposit in the office of the secretary of the commonwealth, in books to be by him provided for the purpose, a copy of the assessors' valuation books of those years, to be by them certified under oath. Said assessors shall also annually, on or before the first day of October, and the assessors of the city of Boston, on or before the first day of November, in like manner deposit an attested copy of the table of aggregates required by the provisions of the preceding section.

SECTION 61. If the board of assessors of any city or town neglect to comply with the provisions of any of the three preceding sections, each assessor so neglecting shall forfeit not more than two hundred dollars. [1 Op. A. G. 73.]

Assessors triennially to deposit with the secretary of the commonwealth copies of valuation books.
1861, 167, § 3.
1864, 210, § 1.
P. S. 11, § 55.
1883, 91.
1894, 318.
R. L. 12, § 61.

Non-compliance with preceding sections.
1861, 167, § 5.
P. S. 11, § 56.
R. L. 12, § 62.

SECTION 62. The books provided by the secretary of the commonwealth for the use of the assessors shall contain a copy of this and of the seven preceding sections, and such certificates as are required by law to be signed by the assessors, with such explanatory notes as he considers necessary to secure uniformity of returns under the several headings. He shall annually compile and cause to be printed for the use of the general court the aggregate returns from the cities and towns arranged by counties, so as to exhibit the total valuation of the towns, cities, counties, and the commonwealth.

Books supplied by secretary to contain what.

Annual compilation of table of aggregates.
1861, 167, § 4.
P. S. 11, § 57.
R. L. 12, § 63.

SECTION 63. The assessors shall enter upon the valuation list, in the appropriate columns, after the enumeration of the persons and estates liable to taxation therein contained, a statement and description of all the property and estate and the fair ratable value thereof, situated in their respective cities or towns, or which would be taxable there but for the provisions of the third, fourth and seventh clauses of section five, with the names of the persons or corporations owning the same and the purpose for which it is used, which are exempted from taxation by the provisions of law aforesaid, with a reference to the law by which such exemption is allowed.

Entry on valuation list of certain exempted property.
1874, 227, § 1.
P. S. 11, § 58.
R. L. 12, § 64.

SECTION 64. The assessors, or other persons authorized to assess the taxes in a city or town, shall, at the end of said valuation list, subscribe and take the following oath: —

Oath of assessors to valuation list.
1785, 50, § 5.
R. S. 15, § 55.
1853, 319, § 2.

G. S. 11, § 36.

P. S. 11, § 59.

R. L. 12, § 65.

We the assessors, (or other persons so authorized, as the case may be,) of _____, do severally and solemnly swear that the foregoing list is a full and true list of the names of all persons known to us, who are liable to taxation in _____, (here insert the name of the city or town,) during the present year, and that the real and personal estate contained in said list, and assessed upon each person in said list, is a full and accurate assessment upon all the property of each person, liable to taxation, at its full and fair cash value, according to our best knowledge and belief.

SECTION 65. An assessor or other person assessing taxes in a city or town who omits to take and subscribe said oath shall be punished by a fine of ten dollars; but such omission shall not render invalid a tax otherwise legally assessed.

Penalty for failure to take oath.
1857, 306, § 1.
G. S. 11, § 37.
P. S. 11, § 60.
R. L. 12, § 66.

COLLECTOR'S LIST AND WARRANT.

Tax list to be committed to collector, but only after bond given and approved.
 1785, 50, § 6;
 70, §§ 1, 3.
 1815, 130, § 4.
 R. S. 7,
 §§ 32, 34.
 G. S. 11, § 38.
 1879, 157, § 1.
 P. S. 11, § 62.
 R. L. 12, § 67.

SECTION 66. The assessors shall, within a reasonable time, commit the tax list with their warrant to the collector of taxes; or, if no collector has been chosen, to a constable, or, if there is no constable, to the sheriff or his deputy, for collection; but the assessors of a town shall not commit a tax list to the collector until the bonds of such collector and of the town treasurer have been given and approved as required by law.

13 Met. 85. 99 Mass. 472. 130 Mass. 563.
 6 Gray, 387, 502. 124 Mass. 343. 140 Mass. 389.

— contents and form.
 1828, 143, § 6.
 R. S. 7, § 31.
 G. S. 11, § 35.
 1877, 235, § 1.
 P. S. 11, § 61.
 R. L. 12, § 68.
 9 Pick. 97.
 2 Gray, 298.

SECTION 67. The tax list committed to the collector shall be, in substance, as follows:—

Names and Residences. (Give street and number of residence.)	No. of Polls.	Poll Tax.	Tax on Real Estate.	Tax on Personal Property.	Total.	Time when paid.
---	---------------	-----------	---------------------	---------------------------	--------	-----------------

NON-RESIDENTS.

Names.	Residences, if known.	Tax.
--------	-----------------------	------

Warrant, contents and form.
 1785, 50, § 6;
 70, § 1.
 R. S. 7, §§ 32, 33.
 G. S. 11, § 39.
 P. S. 11, § 63.

SECTION 68. The warrant shall specify the duties of the collector as prescribed by law in the collection of taxes, the times when and the person to whom he shall pay them, shall be substantially in the form heretofore used and need not be under seal.

R. L. 12, § 69. 1 Met. 328. 6 Met. 345.
 13 Met. 85. 99 Mass. 472. 127 Mass. 502. 139 Mass. 388. 140 Mass. 389.

New warrant to issue on loss, etc., of original; effect.
 1799, 83.
 R. S. 8, § 51.
 G. S. 11, § 40.

SECTION 69. If a warrant issued for the collection of taxes is lost or destroyed, the assessors may issue a new warrant therefor, which shall have the same force and effect as the original warrant.

P. S. 11, § 64. R. L. 12, § 70.

DISCOUNT AND INTEREST ON TAXES.

Discounts.
 1815, 130,
 §§ 2, 4.
 R. S. 7, §§ 35, 36.
 G. S. 11,
 §§ 41, 42.
 P. S. 11, §§ 65, 66.
 R. L. 12, § 71.
 13 Gray, 476.
 2 Allen, 594.

SECTION 70. Towns at their annual meetings and city councils of cities may allow discounts to persons making voluntary payment of their taxes within such periods of time as they determine; and the assessors shall, when they commit their warrant to the collector, post in one or more public places in the city or town notices of the rates of discount, and the collector shall make such discount.

SECTION 71. If a city, a town or fire, water supply or improvement district fixes a time within which taxes assessed therein shall be paid, such city by its city council, and such town or district at the meeting when money is appropriated or raised, may vote that on all taxes remaining unpaid after a certain time interest shall be paid at a specified rate, not exceeding six per cent a year, and such interest shall be added to and be a part of such taxes.

Interest;
city and town
taxes.
1873, 225, § 1.
1878, 185, § 1.
1879, 74.
P. S. 11, §§ 67,
68.
1900, 168.
R. L. 12, § 72.
146 Mass. 476.

ABATEMENTS.

SECTION 72. A person aggrieved by the taxes assessed upon him may, within six months after the date of his tax bill, apply to the assessors for an abatement thereof; and if they find that he is taxed at more than his just proportion, or upon an assessment of any of his property in excess of its fair cash value, they shall make a reasonable abatement. A tenant of real estate paying rent therefor and under obligation to pay more than a moiety of the taxes thereon may apply for such abatement.

Abatements.
1785, 50, § 10.
R. S. 7, §§ 37,
41.
G. S. 11, §§ 43,
47.
1877, 160, § 2.
P. S. 11, §§ 69,
74.
1888, 315.
R. L. 12, § 73.
6 Pick. 98.
12 Pick. 7.
21 Pick. 64.
5 Cush. 93.
8 Cush. 55, 56.

2 Gray, 494.	102 Mass. 348.	150 Mass. 237.	174 Mass. 396.
8 Gray, 509.	109 Mass. 270.	152 Mass. 372, 596.	175 Mass. 293.
13 Gray, 321.	114 Mass. 224.	155 Mass. 313.	179 Mass. 486.
3 Allen, 546.	125 Mass. 348.	159 Mass. 385.	186 Mass. 361.
12 Allen, 612.	130 Mass. 144, 478.	166 Mass. 216,	193 Mass. 168.
13 Allen, 11v.	148 Mass. 513.	298, 401.	189 U. S. 255.

SECTION 73. A person shall not have an abatement, except as otherwise provided, unless he has brought in to the assessors the list of his estate as required by section forty-one. An executor, administrator or trustee after three years from the date of his appointment, or a tenant of real estate paying rent and under obligation to pay more than a moiety of the taxes thereon, may have an abatement although no such list was brought in. If such list is not filed within the time specified in the notice required by section forty-one, no part of the tax assessed upon the personal estate shall be abated unless the applicant shows to the assessors a reasonable excuse for the delay or unless such tax exceeds by more than fifty per cent the amount which would have been assessed upon such estate if the list had been seasonably brought in, and in such case only the excess over such fifty per cent shall be abated. If the applicant was not required by said notice to include his real estate in said list, and has not done so, he shall, if he seeks an abatement of the tax on his real estate, file with his application a list, verified as provided in section forty-

Conditions.
1785, 50, § 9.
R. S. 7, § 40.
1853, 319, § 3.
1857, 306, § 3.
G. S. 11, § 46.
1865, 121.
1877, 160, § 1.
P. S. 11, §§ 38,
72, 73.
1888, 315.
1894, 354.
R. L. 12, § 74.
4 Pick. 399.
5 Cush. 97.
6 Cush. 477.
5 Gray, 365.
8 Gray, 509.
1 Allen, 199.
3 Allen, 546.
101 Mass. 87.
112 Mass. 218.
131 Mass. 424.
137 Mass. 272.
151 Mass. 228.
152 Mass. 374.
155 Mass. 313.
166 Mass. 216.
167 Mass. 517.
170 Mass. 568.
176 Mass. 384.
186 Mass. 361.
193 Mass. 168.

three, of his real estate, with an estimate of the fair cash value of each parcel.

SECTION 74. A person applying for an abatement shall pay the legal costs which accrue before it is made.

Costs.
R. S. 7, § 38.
G. S. 11, § 44.

Notice.
1890, 127, § 6.
R. L. 12, § 76.

SECTION 75. The assessors shall, within ten days after their decision upon an application for an abatement, give written notice thereof to the applicant.

Appeal to
county com-
missioners.
1785, 50, §§ 9,
10.
R. S. 7, §§ 39,
40.
1853, 319, § 3.
1857, 306, § 3.
G. S. 11, §§ 45,
46.
P. S. 11, §§ 71,
72.
1882, 218.
R. L. 12, § 77.
8 Cush. 55.
6 Allen, 131.
114 Mass. 224.
152 Mass. 372,
596.
155 Mass. 313.
159 Mass. 383.
182 Mass. 598.

SECTION 76. A person aggrieved by the refusal of assessors to abate a tax, may, within thirty days after receiving the notice provided in the preceding section, appeal therefrom by filing a complaint with the clerk of the county commissioners, or of any board exercising the powers of such commissioners, for the county in which the property taxed is situated, and if upon a hearing the board finds that the property has been overrated, it shall make a reasonable abatement and an order as to costs. If the list required to be brought in to the assessors was not brought in within the time specified in the notice required by section forty-one, the tax shall not be abated unless the appellate board finds that there was good cause for the delay or unless the assessors have so found as provided in section seventy-three. No costs shall be allowed to a complainant who has failed to file a list as required by law.

— to superior
court.
1890, 127, §§ 1,
2, 4.
R. L. 12, § 78.
152 Mass. 594.
155 Mass. 313.
163 Mass. 283.
175 Mass. 257.
178 Mass. 469.
182 Mass. 598.

SECTION 77. A person aggrieved as aforesaid may, instead of pursuing the remedy provided in the preceding section, but subject to the same conditions, appeal to the superior court for the county in which the property taxed is situated by entering a complaint in said court on the first return day after the expiration of thirty days from the giving of the notice required by section seventy-five, which shall be heard and determined as other court causes by the court sitting without a jury.

Entry of ap-
peal.
Advancement
for speedy trial.
1890, 127, § 4.
R. L. 12, § 79.
152 Mass. 596.
155 Mass. 313,
316.
175 Mass. 257.

SECTION 78. The complaint shall be heard at the first sitting of the court in such county for the trial of civil causes after its entry, unless, at the request of the respondent, a further time is allowed by the court. The superior court or the supreme judicial court, if the case shall be carried thereto, shall at the request of the city or town advance the case so that it may be heard and determined with as little delay as possible.

Commission-
ers to hear
facts.
1890, 127, § 5.
R. L. 12, § 80.

SECTION 79. The court may appoint a commissioner to hear the parties and report the facts, with or without the evidence. Such report shall be prima facie evidence of the

facts therein found. The court shall allow such commissioner a reasonable compensation which shall be paid by the county.

175 Mass. 257.
186 Mass. 361.

SECTION 80. If, upon a hearing, the court finds that the complainant has complied with all the provisions of law and has paid the tax for which he has been assessed, it may grant him a reasonable abatement, and shall render judgment against the city or town for the amount thereof, and for all charges and interest on the amount of the abatement from the date of the payment of the tax. The court may also, if the complainant has filed a list of his estate as required by section forty-one, allow him costs in its discretion. If no abatement is granted, judgment shall be rendered for the city or town for its expenses and costs, which shall be taxed by the court.

Abatement
or judgment
for appellant
if taxes
have been
paid.
Costs.
1890, 127, § 3.
1895, 75.
R. L. 12, § 81.
6 Allen, 131.
155 Mass. 313.
316.
175 Mass. 257.

SECTION 81. A person whose tax has been abated shall, if the tax has been paid, be reimbursed by the city or town to the amount of the abatement allowed, with interest from the time of payment of said tax and all charges paid therewith except legal costs paid as provided in section seventy-four.

Reimburse-
ment after
abatement.
1785, 50, § 10.
R. S. 7, § 42.
G. S. 11, § 48.
P. S. 11, § 75.
1894, 207.
R. L. 12, § 82.
13 Gray, 223.

SECTION 82. A person whose tax has been abated shall be entitled to a certificate thereof from the assessors, clerk of the commissioners or other proper officer.

P. S. 11, § 76. R. L. 12, § 83. 159 Mass. 385.

Certificate of
abatement to
be given by
assessors.
R. S. 7, § 43.
G. S. 11, § 49.

SECTION 83. If a collector is satisfied that a poll tax or tax upon personal property, or any portion of said tax, committed to him or to any of his predecessors in office for collection, cannot be collected by reason of the death, absence, poverty, insolvency, bankruptcy or other inability of the person assessed to pay, he shall notify the assessors thereof in writing, under oath, stating the reason why such tax cannot be collected. The assessors, after due inquiry, may abate such tax or any part thereof, and shall certify such abatement in writing to the collector; and said certificate shall discharge the collector from further obligation to collect the tax so abated. But no poll tax shall be abated, under the provisions of this section, within the calendar year in which it is assessed.

Abatement of
uncollectible
taxes, and
allowance to
collector there-
for.
1878, 77.
1879, 43.
P. S. 11, § 77.
R. L. 12, § 84.
1902, 91.

SECTION 84. Whenever an abatement is finally made to any corporation organized under the law of this commonwealth and liable to a corporate franchise tax upon any tax assessed by the assessors of any city or town, upon or in respect of real estate, machinery or underground conduits,

Poll tax not
abatable in
year of assess-
ment.

Tax commis-
sioner to be
notified of
abatement of
taxes to certain
corporations.
1904, 442, § 1.

wires and pipes, the assessors, commissioners or court granting such abatement shall forthwith notify the tax commissioner of the commonwealth thereof, and shall state in such notice what sum was determined by such assessors, commissioners or court to have been the full and fair cash value of such real estate, machinery or underground conduits, wires and pipes on the first day of May on which the tax so abated was originally assessed.

OMITTED ASSESSMENTS.

Assessment of
estates omitted
from annual
assessment.
1868, 320.
1873, 272.
P. S. 11, § 78.
1886, 85.
1888, 362.
R. L. 12, § 85.
130 Mass. 561.
137 Mass. 272.

SECTION 85. If the real or personal estate of a person, to an amount not less than one hundred dollars and liable to taxation, has been omitted from the annual assessment of taxes in a city or town, the assessors shall between the fifteenth and twentieth days of December next ensuing assess such person for such estate. The taxes so assessed shall be entered on the tax list of the collector who shall collect and pay over the same. Such additional assessment shall not render the tax of such city or town invalid although its amount, in consequence thereof, shall exceed the amount authorized by law to be raised.

RE-ASSESSMENT OF TAXES.

Re-assessment
of taxes.
1859, 118, § 1.
G. S. 11, § 53.
1881, 304, § 7.
P. S. 11, § 79.
R. L. 12, § 86.
13 Allen, 269.
99 Mass. 32,
208.
102 Mass. 73.
112 Mass. 535.
121 Mass. 177.
126 Mass. 97.
127 Mass. 502.
129 Mass. 378.
137 Mass. 274.
149 Mass. 270.
165 Mass. 287.

SECTION 86. Every tax except a poll tax, which is invalid by reason of any error or irregularity in the assessment and which has not been paid, or which has been recovered back, may be re-assessed by the assessors for the time being, to the just amount to which, and upon the estate or to the person to whom, it ought at first to have been assessed, whether such person has continued an inhabitant of the same city or town or not. An alienation of the real estate assessed shall not, subject to the provisions relative to a lien contained in section thirty-six of Part II., defeat a re-assessment, if made within two years after the tax first assessed was committed to the collector.

Collection of
re-assessed
taxes.
1870, 394.
P. S. 11, § 80.
R. L. 12, § 87.
102 Mass. 72.
149 Mass. 270.

SECTION 87. Taxes re-assessed under the provisions of the preceding section shall be committed to, and collected and paid over by, the collector for the time being, in the same manner as other taxes, except that the name of the person to whom they were originally assessed shall be stated in the tax list; and the bond of such collector shall apply to such re-assessed taxes.

APPORTIONMENT OF TAXES ON REAL ESTATE SUBSEQUENTLY DIVIDED.

SECTION 88. If real estate is divided by sale, mortgage, upon a petition for partition or otherwise after a tax has been assessed thereon and such division has been duly recorded in the registry of deeds, the assessors at any time before said real estate has been sold for payment of taxes, upon the written request of the owner or mortgagee of any portion thereof, shall apportion said tax and the costs and interest accrued thereon upon the several parcels thereof, in proportion to the value of each, and only the portion of said tax, interest and costs so apportioned upon any such parcel shall continue to be a lien upon it; and the owners or mortgagees shall be liable only for the tax apportioned upon the parcel owned in whole or in part by them respectively.

Apportionment of tax on real estate divided after assessment.
1878, 182, § 1.
P. S. 11, § 81.
R. L. 12, § 88.

SECTION 89. Assessors shall send notice of the request for such apportionment and of the time appointed therefor, by mail, to every person interested in said real estate whose address is known to them.

Notice to persons affected by apportionment.
1878, 182, § 2.
P. S. 11, § 82.
R. L. 12, § 89.

SECTION 90. A person aggrieved by any action of the assessors in making such apportionment may within seven days thereafter appeal in like manner as in case of an over-assessment, and the decision upon such appeal shall be final.

Appeal from apportionment.
1878, 182, § 3.
P. S. 11, § 83.
R. L. 12, § 90.

ILLEGAL ASSESSMENTS.

SECTION 91. If, by reason of an erroneous or illegal assessment or apportionment of taxes, a person is assessed more than his due proportion, the tax and assessment shall be valid except as to the illegal excess.

Assessment of taxes valid except as to illegal excess.
1859, 118, § 4.
G. S. 11, § 54.
P. S. 11, § 84.

99 Mass. 208. 126 Mass. 97, 98. 127 Mass. 502. R. L. 12, § 91. 151 Mass. 229.

ADDITIONAL DUTIES OF ASSESSORS.

SECTION 92. When a person who is liable to be taxed for personal property changes his domicile, the assessors of the city or town in the commonwealth to which he has removed shall forthwith require of the assessors of the city or town in which he was last taxed a written statement of any facts which will assist in determining the value of his personal estate, and also the amount for which he was last assessed therein, which information shall be furnished by

Assessors to furnish information as to personalty of persons changing domicile.
1866, 170.
1881, 25.
P. S. 11, § 85.
R. L. 12, § 92.

said assessors. When the assessors of a city or town receive such statement it shall be filed in the office of the assessors requiring such information and shall be open to public inspection; and he shall not be assessed upon any less amount of personal estate than that for which he was last assessed, until he has brought in a list of his personal estate. Whoever neglects to perform any duty imposed upon him by the provisions of this section shall be punished by a fine of not less than fifty nor more than two hundred dollars.

Returns to tax commissioner of corporate property and amount of taxes laid.
1864, 208, § 1.
1865, 283, §§ 1, 14.
P. S. 11, §§ 86, 87.
R. L. 12, § 93.
1904, 181.
1906, 271, § 11.
13 Allen, 391.

SECTION 93. Assessors shall annually, on or before the first Monday of July, return to the tax commissioner the names of all corporations, except banks of issue and deposit, having a capital stock divided into shares, chartered by the commonwealth or organized under the general laws for the purposes of business or profit and established in their respective cities and towns or owning real estate therein, and a statement in detail of the works, structures, real estate and machinery owned by each of said corporations and situated in such city or town, with the value thereof, on the first day of May preceding, and the amount at which the same is assessed in said city or town for the then current year. They shall also, on or before the first Monday of August, return to the tax commissioner the amount of taxes laid, or voted to be laid, within said city or town, for the then current year, for state, county and town purposes. They shall also, on or before the first Monday of August, return to the tax commissioner the names of all foreign corporations which have a usual place of business within said city or town. If the assessors neglect to comply with the requirements of this section, each assessor so neglecting shall forfeit one hundred dollars.

Assessors to state cause of diminished valuations.
1864, 210, §§ 3, 4, 6.
P. S. 11, §§ 88, 89.
R. L. 12, § 94.

SECTION 94. If the assessors of a city or town ascertain that the aggregate valuation of such city or town has been diminished since the first day of May of the preceding year, they shall return with the table of aggregates, or with the books, which they are required by sections fifty-nine and sixty to deposit in the office of the secretary of the commonwealth, a statement in writing, under oath, of the causes which in their opinion have produced such diminution. If the assessors neglect to comply with the requirements of this section, each assessor so neglecting shall forfeit not more than two hundred dollars.

SECTION 95. Assessors shall annually, on or before the first day of October, make and forward to the tax commissioner a statement showing the whole amount of exempted property entered upon the valuation lists of their respective cities and towns in accordance with section sixty-three, and the amount in each class, and stating separately the aggregate amount belonging to each of the four classes embraced in clause three of section five, and such lists and statements required by section forty-two relative to real and personal property exempt from taxation under clause three of section five as have been received by them.

Assessors to make returns to tax commissioner of exempted property, etc.
1874, 227, § 2.
1881, 284, § 4.
P. S. 11, § 90.
1882, 217, § 3.
R. L. 12, § 95.

SECTION 96. Assessors of each city or town shall annually, on or before the first Monday of August, return to the tax commissioner the aggregate amount of its assets, and the amount of its indebtedness, for which notes, bonds or similar evidences of debt, the payment of which is not provided for by the taxation of the then current year, were outstanding on the first day of May then last preceding, with a concise statement of the various purposes for which such indebtedness was incurred, the amount incurred for each purpose and the amount of each sinking fund established. If in any case in which a sinking fund is required by law no sinking fund has been established, the return shall state whether action has been had under the provisions of section thirteen of chapter twenty-seven of the Revised Laws, and the amount raised and applied thereunder for the year last preceding said first day of May.

— to make returns to tax commissioner of assets and indebtedness of towns.
1870, 76.
P. S. 11, § 91.
1882, 133, § 2.
R. L. 12, § 96.

SECTION 97. Assessors shall, upon application to any one of them by a person assessed therein, give to him a certificate stating what portion of the whole amount of his tax is assessed as state tax, county tax and town tax, respectively; and in such case the collector shall receive and receipt for either of such taxes separately, or for all together, as may be desired by the tax payer; but the state tax assessed upon poll and property and the county tax so assessed, shall each constitute an entire and indivisible tax.

— to certify on request portions of tax assessed for state, county and town purposes.
1879, 299, § 2.
P. S. 11, § 93.
R. L. 12, § 97.
137 Mass. 273.

RESPONSIBILITY AND COMPENSATION OF ASSESSORS.

SECTION 98. Assessors shall not be responsible for the assessment of a tax assessed by them in pursuance of a vote for that purpose, certified to them by the clerk or other

Liability of assessors.
1823, 138, § 5.
1833, 166.
R. S. 7, § 44.

G. S. 11, § 51.
1872, 310.
P. S. 11, § 94.

proper officer of a city, town or fire district, except for the want of integrity and fidelity on their own part.

R. L. 12, § 98.	11 Met. 339.	4 Allen, 382.	99 Mass. 208.
4 Pick. 399.	4 Gray, 42.	97 Mass. 424.	119 Mass. 77.
5 Pick. 451, 498.	3 Allen, 410.	98 Mass. 469.	125 Mass. 553.

Compensation.
1785, 50, § 2.
1834, 99.
R. S. 7, § 45.
1855, 224.
G. S. 11, § 52.
1873, 156.

SECTION 99. Each assessor shall be paid by his city or town two dollars and fifty cents a day for every whole day in which he is employed in that service, and such additional compensation as the city or town shall allow.

P. S. 11, § 95.	3 Met. 431.	4 Allen, 382.
R. L. 12, § 99.	3 Allen, 409.	129 Mass. 577.

APPORTIONMENT OF STATE TAX.

Apportionment of state tax by tax commissioner.
1881, 163, § 1.
P. S. 11, § 96.
R. L. 12, § 100.

SECTION 100. The tax commissioner shall, before the first day of January in the year nineteen hundred and four and before the first day of January in every third year thereafter, prepare and report in print to the general court, within the first week of its then next succeeding session, an equalization and apportionment upon the several cities and towns, of the number of polls, the amount of property, and the proportion of every one thousand dollars of state or county tax, including polls at one-tenth of a mill each, which should be assessed upon each city and town.

Tax commissioner to be supplied with returns of assessors.
To prepare abstracts, etc.
1881, 163,
§§ 1, 2.
P. S. 11, § 97.
R. L. 12, § 101.

SECTION 101. Said commissioner shall from time to time be supplied by the secretary of the commonwealth with the returns of assessors required by sections fifty-nine and sixty. He shall cause abstracts to be prepared, showing the value, above works, structures, real estate, machinery, underground conduits, wires and pipes locally taxed, of shares in corporations organized in this commonwealth, and national banks, held by residents of each city and town and not included in the local assessment. He may require from state, city and town officers such further returns and statements relative to the amount and value of taxable property in the several cities and towns as in his judgment may be necessary. He shall to the best of his judgment and discretion prepare said equalization and apportionment upon the basis of the returns and statements herein provided for and authorized.

Basis of apportionment.

PART II.

COLLECTION OF TAXES.

DEFINITIONS.

SECTION 1. Terms used in this act shall, unless other meaning is clearly apparent from the context, or unless they are inconsistent with the manifest intent of the legislature, be construed as follows:

“Collector” shall mean a person receiving a tax list and a warrant to collect the same.

“Publication” as applied to any notice, advertisement or other instrument, the publication of which is required by law, shall mean the act of printing it for three successive weeks in a newspaper published in the city or town, if any, otherwise in the county, where the land or other property to which the notice or other instrument relates is situated. The last publication shall be made at least one week prior to the date stated for the occurrence of the event to which the publication relates.

“Registry of deeds” shall mean the registry of deeds for the county or district in which the land taxed lies.

“Service” as applied to any notice, summons, demand or other paper shall mean delivering it or a copy to the person for whom it is intended, or leaving it or a copy at his last and usual place of abode or of business, or sending it or a copy by mail postpaid addressed to him at his last and usual place of abode or of business or, if such notice, summons, demand or other paper relates to taxes upon land, posting it or a copy conspicuously in some convenient and public place in his precinct and sending a copy by mail postpaid addressed to him at the city or town in which such land lies. Such service shall be sufficient whether made by the collector of taxes holding office or by any predecessor.

The affidavit of the collector or deputy collector serving the notice, summons, demand or other paper of the manner of service shall be kept on file in the office of the collector, and shall be prima facie evidence that the same was so served.

Definitions.
1785, 70, § 7.
R. S. 8, § 24.
G. S. 12, § 28.
1879, 69.
P. S. 12, § 30.
1888, 390, § 35.
1892, 168.
1899, 425,
§§ 1, 2.
1900, 290.
1901, 108, 150.
R. L. 13, § 1.
185 Mass. 137.

DUTIES OF COLLECTORS.

Collection and
payment over
of taxes.

Return
thereof.

R. S. 7, § 34;
8, §§ 1, 33.
G. S. 12, § 1.
P. S. 12, § 1.
1887, 110, § 4.
1888, 390,
§§ 1, 6.
1897, 126, § 1.
R. L. 13, § 2.
126 Mass. 476.
127 Mass. 405.

SECTION 2. Every collector of taxes, constable, sheriff or deputy sheriff, receiving a tax list and warrant from the assessors, shall collect the taxes therein set forth, and pay over the same to the city or town treasurer according to the warrant, and shall make written return thereof with his tax list and of his doings thereon at such times as the assessors shall in writing require. In towns he shall, on or before the fifth day of each month, pay over to the town treasurer all money received by him during the preceding month on account of taxes.

Notice of tax
to tax payer.
1877, 235, § 1.
P. S. 12, § 2.
1888, 390, § 2.
1889, 334, § 1.
R. L. 13, § 3.
185 Mass. 137.

SECTION 3. The collector shall forthwith, after receiving a tax list and warrant, send notice to each person who is assessed, resident or non-resident, of the amount of his tax. If such notice is sent by mail, it shall be postpaid and shall be directed to the city or town in which the assessed person resided on the first day of May of the year in which the tax was assessed, and, if he resides in a city, it shall, if possible, be directed to the street and number of his residence. If he is assessed for a poll tax only, the notice shall be sent on or before the second day of September of the year in which the tax is assessed. An omission to send such notice shall not affect either the validity of a tax or of the proceedings for collecting it.

Collector to
keep books of
account.

1887, 110, § 2.
1888, 390, § 3.
1889, 334, § 2.
R. L. 13, § 4.

SECTION 4. He shall make and keep in the book containing the tax list committed to him by the assessors, against the name of every person assessed for a tax, entries showing the disposition thereof, whether re-assessed, abated or paid, and the date of such disposition.

— to keep
cash book.

1887, 110, § 1.
1888, 390, § 4.
R. L. 13, § 5.

SECTION 5. He shall also keep a cash book, in which he shall enter all sums of money paid to him, as they are received, specifying the total amount of tax, abatements allowed, discount allowed, all interest charged, the total amount received and the date of receipt. He shall also enter therein the date and amount of every payment and disbursement made by him, and to whom paid, with such other matters as the city or town may require.

Account books,
how provided.
To be open to
inspection.

1887, 110, § 3.
1888, 390, § 5.
1897, 126, § 2.
R. L. 13, § 6.

SECTION 6. All books kept by the collector shall be furnished by, and be the property of, the city or town, and shall at all reasonable times be open to examination by the auditor of such city or town or by any other agent thereof duly authorized for that purpose. The collector shall,

upon demand by the selectmen, exhibit to them or to any persons whom they may designate at any time during ordinary business hours, the books, accounts and vouchers relating to taxes committed to him for collection and to his receipts and payments on account of taxes; and they, or the persons designated by them, shall have full opportunity to examine said books, accounts and vouchers, and to make copies and extracts therefrom.

SECTION 7. A collector shall, within three months after his resignation of, or retirement or removal from, the office of collector, deposit with the clerk of the city or town in which he held such office all his accounts, records and papers, except his warrant, which relate to the assessment and collection of taxes in such city or town, and, when all the taxes which have been committed to him have been collected or abated, or, in any event, at the end of three years from the date of their commitment to him, he shall so deposit all such accounts, records and papers and his warrant.

SECTION 8. The executor or administrator of a person who was or had been a collector shall, within three months after his appointment, deposit all the accounts, records, papers or unsettled tax lists which come into his possession, relating to the assessment and collection of taxes, with the clerk of the city or town to which they pertain; and any other person into whose possession, upon the death, resignation, retirement or removal of a collector from office such accounts, records, papers or unsettled tax lists may come, shall forthwith deposit them with the clerk of such city or town.

SECTION 9. If the collector has an office for the deposit of records and the transaction of his official business, the accounts, records and papers otherwise required to be deposited with the city or town clerk shall be deposited in said office.

SECTION 10. A city or town clerk, or collector, who shall have knowledge of any accounts, records or papers relating to taxes in his city or town which should be in his custody, shall demand them of any person having them.

SECTION 11. A collector, former collector or an executor or administrator of a deceased collector who refuses or neglects to perform any duties required by the four preceding sections, or any person having in his possession any

Deposit of accounts, etc., by retiring, etc., collector with city or town clerk.
1892, 370, §§ 1, 4.
R. L. 13, § 7.

— by executor, etc., of deceased collector.
1785, 46, § 5.
1791, 22, § 1.
R. S. 8, § 41.
G. S. 12, § 54.
P. S. 12, § 82.
1888, 390, § 92.
1892, 370, § 3.
R. L. 13, § 8.

— in collector's office.
1892, 370, § 5.
R. L. 13, § 9.

Demand for tax books and accounts, by whom made.
1892, 370, § 6.
R. L. 13, § 10.

Penalty for unlawful detention of tax accounts.
1892, 370, § 7.
R. L. 13, § 11.

such accounts, records or papers, who, after demand made by the clerk or collector entitled by law to the custody thereof, wrongfully detains them, shall forfeit not more than five hundred dollars.

Penalty for failure of collector to pay over taxes or to exhibit accounts. 1897, 126, § 3. R. L. 13, § 12.

SECTION 12. Every collector who fails monthly to pay over to the town treasurer the taxes collected by him, as required by section two, or who neglects or refuses to exhibit his books, accounts and vouchers to the selectmen when required by them, under the provisions of section six, shall be punished by a fine of not more than three hundred dollars.

Completion of taxes by collector after expiration of term. 1785, 70, § 8. R. S. 8, § 2. G. S. 12, § 2. 1862, 183, § 10. 1878, 266, § 13. 1881, 138, § 2. P. S. 12, §§ 3, 36, 47. 1888, 390, §§ 7, 29, 41, 55. 1889, 334, § 3. 1890, 331, § 2. 1894, 537, § 5. R. L. 13, § 13. 1907, 427. 102 Mass. 75. 119 Mass. 124.

SECTION 13. The collector shall, unless removed from office or unless his tax list has been transferred to his successor, complete the collection of the taxes committed to him, notwithstanding the expiration of his term of office. He shall be allowed the following charges and fees and no other, which after they have accrued, shall be severally added to the amount of the tax:

For an arrest, one dollar and actual travelling expenses incurred in making such arrest;

For a summons, twenty cents;

For a warrant to distrain or arrest, fifty cents;

For a copy of warrant and certificate under section twenty-four, one dollar;

For preparing advertisement of sale, fifty cents;

For advertisement of sale in newspapers, the cost thereof;

For posting notices of sale, fifty cents for each parcel of real estate seized or lot of goods distrained;

For distraining goods, one dollar and the cost thereof;

For selling goods distrained, the cost thereof;

For obtaining affidavit of disinterested person, one dollar;

For recording affidavit, the register's fees;

For preparing deed, two dollars;

For each hour's time actually expended in selling as certified by him under the provisions of section fifty, thirty cents;

For service of demand and notice under the provisions of section fifty-four, if served in the manner required by law for the service of subpoenas upon witnesses in civil cases, fifty cents and travel as allowed by chapter two hundred and four of the Revised Laws.

SECTION 14. The collector shall, before selling the land of a resident, or distraining the goods of any person, or arresting him for his tax, serve on him a statement of the amount thereof with a demand for its payment. If the heirs of a deceased person, co-partners or two or more persons are jointly assessed, service need be made on only one of them. Such demand for the tax upon land may be made upon the person occupying the same upon the first day of May of the year in which the tax is assessed. If a mortgagee has given notice under the provisions of section thirty-seven, such demand shall be served upon the mortgagee instead of the owner or occupant. No demand need be made on a non-resident owner of land, nor, except as herein provided, on a mortgagee.

SECTION 15. The collector may, before making a demand for the payment of a tax which is due from any person, serve a summons on him, stating therein the amount due and that unless the same, with twenty cents more for the summons, is paid within ten days, he will proceed to collect it according to law.

SECTION 16. If the assessors are of opinion that the credit of a person taxed is doubtful or that he is about to leave the commonwealth, they may, by a special warrant, direct the collector forthwith, without demand or notice, to compel payment by distress or imprisonment, whether the tax is payable immediately or at a future day, by instalments or otherwise.

SECTION 17. If a person claims the benefit of an abatement, he shall exhibit to the collector demanding his taxes the certificate of such abatement authorized by the provisions of section eighty-two of Part I.; and he shall be liable to pay all costs and officers' fees incurred before exhibiting such certificate.

SECTION 18. If, in the assessors' lists or in their warrant and list committed to the collector, there is an error in the name of a person taxed, the tax assessed to him may be collected of the person intended to be assessed, if he is taxable and can be identified by the assessors.

6 Met. 474.
7 Gray, 127.

12 Cush. 56.
97 Mass. 323.

127 Mass. 502.
191 Mass. 576.

SECTION 19. After the delivery of a tax, including assessments for betterments or other purposes but not including a poll tax, to a collector for collection, the owner of the estate or person assessed or a person in behalf of

Demand for
tax to be made.
1785, 70, § 2.
R. S. 8, § 3.
G. S. 12, § 3.
P. S. 12, § 4.
1888, 390, § 8.
1889, 334, § 4.
R. L. 13, § 14.
1 Met. 328.
185 Mass. 137.

Summons to
precede
demand, when.
1888, 390, § 28.
1889, 334, § 8.
1890, 331, § 1.
R. L. 13, § 15.

Collection from
persons of
doubtful
credit.
1785, 70, § 2.
1815, 130, § 3.
R. S. 8, § 12.
G. S. 12, § 4.
1874, 238.
P. S. 12, § 5.
1888, 390, § 9.
R. L. 13, § 16.

Person claim-
ing abatement
to exhibit cer-
tificate thereof.
R. S. 8, § 4.
G. S. 12, § 5.
P. S. 12, § 6.
1888, 390, § 10.
R. L. 13, § 17.
9 Met. 503.

Collection if
erroneous
name in war-
rant.
R. S. 8, § 5.
G. S. 12, § 6.
P. S. 12, § 7.
1888, 390, § 11.
R. L. 13, § 18.

Part payment
of tax.
1899, 394, §§ 1,
2, 4.
R. L. 13, § 19.

said owner or person may tender to the collector not less than twenty-five per cent of the tax which shall be received, receipted for and applied toward the payment of the tax. If in any court it shall be determined that the tax is more than the amount so paid, judgment shall be entered for such excess and interest upon the amount thereof to the date of the judgment, and on the amount paid to the date of the payment, with costs if otherwise recoverable. The part payment authorized by this section shall not affect a right of tender, lien or other provision of law for the recovery of the amount of such tax, or interest or costs thereon, remaining due, but if the part payment is more than the tax, as finally determined, the excess, without interest, shall be repaid to the person who paid it.

Collectors to furnish statement of taxes and assessments constituting a charge therefor.
1907, 378,
§§ 1, 2.

SECTION 20. The collector of taxes for any city shall, on application in writing by any person, and within two days thereafter, furnish to any such applicant a statement in writing of all taxes and other assessments which at the time constitute liens on the parcel of real estate specified in such application and are payable on account of such real estate. Such statement shall be itemized and shall show the amount or amounts then payable to the city on account of all such taxes and assessments so far as such amounts are fixed and ascertained, and if the same are not then ascertainable, it shall so be expressed in the statement. Any officer or board of any city doing any act towards establishing any such tax, assessment, lien or charge upon any real estate in such city shall transmit a notice of such act to the collector of taxes of such city. Such collectors shall charge one dollar for each statement so issued, and the money so received shall be paid into the city treasury.

COLLECTION BY DISTRESS.

Distress and sale for taxes.
Exemptions.
1785, 50, § 6.
R. S. 8, § 7.
1846, 195, § 1.
G. S. 12, § 7.
P. S. 12, § 8.
1888, 390, § 12.
R. L. 13, § 20.
9 Met. 504.
7 Gray, 133.
121 Mass. 351.
126 Mass. 101.

SECTION 21. If a person refuses or neglects to pay his tax for fourteen days after demand, the collector shall without unnecessary delay levy the same by distress or seizure and sale of his goods, including any share or interest he may have as a stockholder in a corporation incorporated under authority of this commonwealth or under the laws of the United States and located or having a general office in this commonwealth; but excluding the tools or imple-

ments necessary for his trade or occupation, beasts of the plough necessary for the cultivation of his improved land, military arms, utensils for housekeeping necessary for upholding life, and bedding and apparel necessary for himself and family.

SECTION 22. The collector shall keep the goods distrained, at the expense of the owner, for four days at least, and shall, within seven days after the seizure, sell the same by public auction for payment of the tax and charges of keeping and sale, first posting notice of the sale in some public place in the city or town at least forty-eight hours prior thereto.

113 Mass. 40.

126 Mass. 101.

127 Mass. 502.

SECTION 23. The collector may once adjourn such sale for not more than three days, and he shall forthwith post a notice of such adjournment at the place of sale.

1888, 390, § 14.

R. L. 13, § 22.

SECTION 24. The seizure of a share of stock or other interest in a corporation may be made by leaving with its clerk, treasurer or cashier, if there is such officer, otherwise with any officer or person who has at the time the custody of its books and papers, an attested copy of the warrant, with a certificate thereon, under the hand of the collector, stating the tax which the stockholder is liable to pay, and that because of his refusal or neglect to pay, the collector has seized such share or interest. The sale thereof shall be made in the manner above prescribed for the sale of goods by collectors, and shall also be subject to the provisions of sections forty-nine and fifty of chapter one hundred and seventy-seven of the Revised Laws.

SECTION 25. If a person is taxed for land in his occupation, but of which he is not the owner, the collector, after demand for payment, may levy the tax by distress and sale of the cattle, sheep, horses, swine or other stock or produce of such estate, belonging to the owner thereof, which, within nine months after such assessment has been committed to him, may be found upon the premises, in the same manner as if such stock or produce were the property of the person so taxed; but such demand for payment need not be made if the person on whom the tax is assessed resided within the precinct of the collector at the time of the assessment, and subsequently removes therefrom and remains absent three months.

Detention,
notice, sale.
1785, 50, § 6;
70, § 2.
1791, 22, § 3.
R. S. 8, § 8.
G. S. 12, § 8.
P. S. 12, § 9.
1888, 390, § 13.
R. L. 13, § 21.
1 Met. 328.
13 Met. 85.

Adjournment
of sale.
R. S. 8, § 9.
G. S. 12, § 9.
P. S. 12, § 10.

Seizure and
sale of shares.
1846, 195,
§§ 2, 34.
G. S. 12,
§§ 10, 11.
P. S. 12, §§ 11,
12.
1888, 390,
§§ 15, 16.
R. L. 13, § 23.
4 Cush. 10.
11 Cush. 338.

Recovery of
taxes assessed
to person not
owner of land
taxed to him.
1785, 70, § 14.
R. S. 8, §§ 16,
17.
G. S. 12, § 21.
P. S. 12, § 23.
1888, 390, § 27.
R. L. 13, § 24.

Surplus proceeds to owner.

1785, 70, § 2.
R. S. 8, § 10.
G. S. 12, § 12.
P. S. 12, § 13.

SECTION 26. The collector shall upon demand give an account in writing of every sale on distress or seizure and charges, and pay to the owner any surplus above the taxes, interest and charges of keeping and sale.

1888, 390, § 17.

R. L. 13, § 25.

5 Gray, 530.

126 Mass. 101.

COLLECTION BY IMPRISONMENT.

Imprisonment for non-payment of tax.

1785, 70, § 2.
R. S. 8, § 11.
G. S. 12, § 13.
P. S. 12, § 14.
1888, 390, § 18.
1893, 241.
1901, 408.
R. L. 13, § 26.
13 Met. 85.
9 Gray, 190.
13 Gray, 93.

SECTION 27. If a person refuses or neglects to pay his tax for fourteen days after demand and the collector cannot find sufficient goods upon which it may be levied, he may take the body of such person and commit him to jail until he pays the tax and charges of commitment and imprisonment, or is discharged according to law; but a person committed for the non-payment of a poll tax shall not be detained in jail more than seven days.

3 Allen, 5.

188 Mass. 506.

Certificate of cause of commitment.

1785, 70, § 11.
R. S. 8, § 13.
G. S. 12, § 14.
P. S. 12, § 15.
1888, 390, § 19.
1889, 334, § 5.
R. L. 13, § 27.

SECTION 28. A collector who commits a person to jail shall give to the keeper thereof a certificate signed by him, stating that he has committed the person for non-payment of his tax for fourteen days after demand therefor, and for want of goods and chattels whereof to make distress, and setting forth the amount said person shall pay for said tax, interest, charges and fees.

Discharge of debtor upon poor debtor oath.

1790, 42,
§§ 1-4.
R. S. 8, §§ 48, 49.
1857, 141, § 24.
G. S. 12, § 15.
P. S. 12, § 16.
1888, 390, § 20.
R. L. 13, § 28.

SECTION 29. Upon the request of a person who has been committed to jail for the non-payment of a tax, the jailer shall forthwith inform some magistrate having authority to examine poor debtors that the debtor desires to take the oath for the relief of poor debtors. The magistrate shall thereupon appoint a time and place for the examination of the debtor, and shall direct the jailer to cause the debtor to be present at the examination. The notice which is required by section thirty-three of chapter one hundred and sixty-eight of the Revised Laws, to be given to the creditor may be given to any one of the assessors or to the collector of the city or town in which the tax was assessed, any of whom may appear at the examination and do all things which a creditor might do upon an arrest or execution. If a debtor is unable to pay such tax, he may be discharged in the same manner as if he were committed upon an execution.

Liability of collector if debtor discharged.

1790, 42, § 6.

SECTION 30. The collector shall be liable for the tax and the charges of imprisonment of a person who is discharged, unless he arrested and committed such person

within one year after the tax was committed to him for collection, or unless he shall be exonerated therefrom by the city or town to which the tax is due. 3 Met. 152.

SECTION 31. A collector who is resisted or impeded in the exercise of the duties of his office may require any suitable person to aid him; and any such person refusing or neglecting to render such aid shall forfeit not more than ten dollars.

R. L. 13, § 30.

SECTION 32. If a tax assessed upon a person remains unpaid for fourteen days after demand therefor, the collector may issue his warrant to the sheriffs of the several counties, or their deputies, or to any constable or deputy collector of taxes of the city or town for which he is the collector, directing them and each of them to distrain the property or take the body of the person assessed and to proceed as required of collectors in like cases. The warrant shall run throughout the commonwealth, and any officer to whom it is directed may serve it and apprehend the person in any county.

R. S. 8, § 50.
G. S. 12, § 16.
P. S. 12, § 17.
1888, 390, § 21.
R. L. 13, § 29.

Collector may require aid.
1782, 61, § 2.
1785, 70, § 9.
R. S. 8, § 6.
G. S. 12, § 17.
P. S. 12, § 18.
1888, 390, § 22.

Distrain of property.
Warrant of collector.
1785, 70, § 5.
R. S. 8, § 14.
1842, 34.
G. S. 12, § 18.
P. S. 12, § 19.
1888, 390, § 23.
1889, 334, § 6.
R. L. 13, § 31.
5 Allen, 563.
191 Mass. 503.

COLLECTION BY SUIT.

SECTION 33. If a tax remains unpaid for three months after it has been committed to the collector, he may maintain an action in his own name against the person assessed therefor in the same manner as for his own debt.

Action for tax.
1789, 4.
R. S. 8, § 15.
1859, 171.
G. S. 12, § 19.
P. S. 12, § 20.
1888, 390, § 24.

1889, 334, § 7. R. L. 13, § 32. 179 Mass. 486. 189 U. S. 255.

SECTION 34. If a person assessed for a tax dies or becomes insolvent before the payment thereof, or if a tax is assessed upon the estate of a deceased person, the executor, administrator or assignee shall, if a demand has been made upon him therefor, forthwith upon receipt of any money applicable to the payment of the tax, pay the same, and in default shall be personally liable therefor as for his own tax.

Liability of executor, etc.
1848, 235.
1852, 234.
G. S. 12, § 20.
P. S. 12, § 21.
1888, 390, § 25.
R. L. 13, § 33.
97 Mass. 321.
121 Mass. 222.
149 Mass. 62.
194 Mass. 77.

SECTION 35. If personal property in the possession of a corporation or an individual as an accumulating fund for the future benefit of heirs or other persons has been duly assessed to them in accordance with clause six of section twenty-three of Part I., and they neglect, for one year after the tax has been committed to the collector, to pay the same, the collector may maintain an action in his own name against the trustee therefor as for his own debt; and the amount paid by said trustee may be allowed in his account.

— of trustee of accumulating fund.
1878, 189, § 4.
P. S. 12, § 22.
1888, 390, § 26.
R. L. 13, § 34.
123 Mass. 355.
124 Mass. 193.
196.

COLLECTION BY SALE OR TAKING OF LAND.

Unpaid taxes to be a lien on land, etc.
 1830, 151, § 9.
 R. S. 8, § 18.
 1856, 239, § 1.
 1859, 118, §§ 1, 2.
 G. S. 12, §§ 22, 23.
 1878, 266, § 14.
 1881, 304, § 4.
 P. S. 12, §§ 24, 25.
 1888, 390, §§ 30, 31.
 1889, 334, § 9.
 R. L. 13, § 35.
 7 Pick. 15.
 2 Gray, 185.
 99 Mass. 31.
 106 Mass. 29.
 110 Mass. 387.
 119 Mass. 295.
 120 Mass. 299.
 124 Mass. 343.

Demand for payment by mortgagee, when.
 1848, 166, § 1.
 G. S. 12, § 24.
 P. S. 12, § 26.
 1888, 390, § 32.
 1889, 334, § 10.
 R. L. 13, § 36.

—at designated place.
 1794, 68, § 1.
 R. S. 8, §§ 20, 21.
 1848, 166, §§ 2, 3.
 G. S. 12, §§ 25, 26.
 P. S. 12, §§ 27, 28.
 1888, 390, §§ 33, 34.
 1889, 334, § 11.
 1899, 425, § 1.
 R. L. 13, § 37.
 178 Mass. 465.

Notice of sale of land.
 1785, 70, § 7.
 R. S. 8, §§ 24, 25.
 1848, 166, § 3.
 G. S. 12, §§ 28, 29.
 P. S. 12, §§ 30, 31.
 1888, 390, §§ 35, 36.
 R. L. 13, § 38.

SECTION 36. Taxes assessed upon land, including those assessed under the provisions of sections sixteen, seventeen and eighteen of Part I., shall with all incidental charges and fees be a lien thereon from the first day of May in the year of assessment. Such lien shall terminate at the expiration of two years from the first day of October in said year, if the estate has in the mean time been alienated; otherwise it shall continue until an alienation thereof. There shall be no lien for taxes re-assessed if the property is alienated before the re-assessment. Said taxes, if unpaid for fourteen days after demand therefor, may, with said charges and fees, be levied by sale of the real estate, if the lien thereon has not terminated prior to the giving of the notice of sale. 129 Mass. 379. 137 Mass. 407, 445.

142 Mass. 577. 154 Mass. 209. 178 Mass. 465. 185 Mass. 398. 189 Mass. 182
 SECTION 37. If a mortgagee of land situated in the place of his residence, before the first day of September of the year in which the tax is assessed, gives written notice to the collector that he holds a mortgage on land, with a description of the land, the demand for payment shall be made on the mortgagee instead of the mortgagor.

SECTION 38. If a mortgagee or an owner of land causes a notice, designating a place in the city or town in which such land lies at which all papers relative to taxes on such land which are to be served on him may be left, to be recorded in January of any year in the office of the clerk of such city or town and, during said month, to be delivered to the collector thereof, a notice, summons, demand for payment or other paper relating to the taxes on such land which are to be served by the collector shall be served at such place. The collector shall not advertise the sale of such land for two months after the time of a demand so made.

SECTION 39. The collector shall give notice of the time and place of sale of land for payment of taxes by publication thereof. Such notice so published shall contain a substantially accurate description of the several rights, lots, or divisions of the land to be sold, the amount of the tax assessed on each, and the names of all owners known to the collector. 13 Gray, 77. 124 Mass. 66. 126 Mass. 280. 136 Mass. 33.

SECTION 40. If land to be sold is situated in a place the name of which shall have been changed by law within three years preceding the sale, the collector shall designate such place in his notices of the sale by its former and existing name. P. S. 12, § 33. 1888, 390, § 38. R. L. 13, § 39.

Designation of place if name has been changed.
1785, 70, § 7.
R. S. 8, § 26.
G. S. 12, § 31.

SECTION 41. The collector shall, three weeks before the sale, post a notice similar to that required by section thirty-nine in some convenient and public place in his precinct. G. S. 12, § 30. P. S. 12, § 32. 1888, 390, § 37.

Notice of sale, posting.
1785, 70, § 7.
R. S. 8, § 27.
1848, 166, § 4.

SECTION 42. If the taxes are not paid, the collector shall, at the time and place appointed for the sale, sell by public auction the smallest undivided part of the land which will satisfy the taxes and necessary intervening charges, or the whole, if no person offers to take an undivided part; and may at such sale require of the purchaser an immediate deposit of such sum as he shall consider necessary to insure good faith in the payment of the purchase money, and on failure of the purchaser to make such deposit forthwith, the sale shall be void and another sale may be made as hereinbefore provided. 152 Mass. 203.

Sale by auction. Disposition of proceeds. Deposit by purchaser.
1785, 70, § 7.
R. S. 8, §§ 28, 29.
G. S. 12, § 33.
P. S. 12, § 35.
1888, 390, § 40.
1900, 376.
R. L. 13, § 41.
13 Gray, 77.
3 Allen, 535.
124 Mass. 65.
126 Mass. 280.
127 Mass. 39.

SECTION 43. The collector may adjourn the sale from time to time not exceeding seven days in all; and he shall give notice of every adjournment by a public declaration thereof at the time and place appointed for the sale. 154 Mass. 209. 171 Mass. 315. 179 Mass. 74. 192 Mass. 278.

Adjournment of sale.
R. S. 8, § 30.
G. S. 12, § 34.
P. S. 12, § 37.
1888, 390, § 42.
R. L. 13, § 42.

SECTION 44. The collector shall execute and deliver to the purchaser a deed of the land, which shall state the cause of sale, the price for which the land was sold, the name of the person on whom the demand for the tax was made, the places where the notices were posted, the name of the newspaper in which the advertisement of the sale was published, and the residence of the grantee, and shall contain a warranty that the sale has in all particulars been conducted according to law. The deed shall convey, subject to the right of redemption, all the right and interest which the owner had in the land when it was taken for his taxes, and the premises conveyed shall also be subject to and have the benefit of all easements and restrictions lawfully existing in, upon or over said land or appurtenant thereto when so taken. Such deed shall not be valid unless recorded within thirty days after the sale. 112 Mass. 535.

Deed to purchaser; contents; record.
1785, 70, § 7.
R. S. 8, § 31.
1848, 166, § 5.
G. S. 12, § 35.
P. S. 12, § 38.
1888, 390, § 43.
1901, 197, 519.
R. L. 13, § 43.
1902, 423.
1905, 193.
2 Gray, 185.
6 Allen, 576.
118 Mass. 540.
126 Mass. 278.
127 Mass. 39.
134 Mass. 88.
136 Mass. 32.
142 Mass. 576.
154 Mass. 209.
164 Mass. 335.
178 Mass. 465.
179 Mass. 183.
183 Mass. 333.
185 Mass. 398.

Reimbursement of purchaser on surrender of deed if sale invalid.
 1862, 183, § 6.
 1878, 266, § 1.
 P. S. 12, § 39.
 1882, 243, § 3.
 1888, 390,
 §§ 44, 47.
 R. L. 13, § 44.
 10 Allen, 49.
 129 Mass. 567.
 131 Mass. 277.

SECTION 45. If it subsequently appears that, by reason of an error, omission or informality in the assessment or the sale, the purchaser has no claim upon the property sold, he may within two years after the date of the deed, offer by writing given to the collector, to surrender and discharge his deed or to assign and transfer to the city or town all his right, title and interest in the premises, as the collector shall elect. Such offer shall contain a specific statement of the reason why the holder has no claim on the land sold, with the evidence upon which he relies, and if such evidence consists of any public record or of facts shown therein, such offer shall contain a specific reference thereto. Upon such surrender and discharge or assignment and transfer, the city or town shall pay to the purchaser the amount which he paid with interest at the rate of ten per cent per annum which payment shall be in full for all damages for any defects in the proceedings or under the warranty in such deed. No city or town and no treasurer or collector thereof shall pay or be liable for any amount due under the provisions of this section unless such statement is filed.

Owner of tax title to file in registry of deeds, etc., a statement of residence, etc.
 1882, 243, §§ 1, 2.
 1888, 390,
 §§ 45, 46.
 R. L. 13, § 45.

SECTION 46. Whoever has a title to land under a sale for nonpayment of taxes or other assessment and is a resident of the city or town in which such land lies, shall file with the treasurer of such city or town and in the registry of deeds, a statement of his residence and place of business, with the street and number, if any. Such person, who is not a resident of such city or town or who removes therefrom, shall appoint an agent residing therein, or in the place where the tax deed is recorded, authorized to release such land. He shall also file the statement above required in which he shall also state the name of such agent and his residence and place of business, with the street and number, if any. Whenever a person holding a tax title changes his residence or place of business or agent, he shall file a new certificate. Tender of payment to, and service of process upon, such agent shall be a sufficient tender to, or service upon, the holder of such tax title.

Collector to purchase for city or town if bid insufficient.
 1862, 183, §§ 1, 5.

SECTION 47. If at the time and place of sale no person bids for the land so offered for sale an amount equal to the tax and charges, and if the sale has been adjourned one or more times, the collector shall then and there make

public declaration of the fact; and, if no bid equal to the tax and charges is then made, he shall give public notice that he purchases for the city or town by which the tax is assessed, the said land as offered for sale at a price not exceeding the amount of the tax and the charges and expenses of the levy and sale, which amount shall be allowed to him in his settlement with such city or town.

SECTION 48. If the purchaser of such land fails to pay the collector within twenty days after the sale the amount bid by him the sale shall be void, and the city or town shall be deemed to be the purchaser of the land, under the provisions of the preceding section.

1889, 334, § 13. R. L. 13, § 47. 126 Mass. 278. 140 Mass. 578.

SECTION 49. If the city or town becomes the purchaser, the deed to it, in addition to the statements required by section forty-four, shall set forth the fact that no bid was made at the sale or that the purchaser failed to pay the amount bid, as the case may be, and shall confer upon such city or town the rights and duties of an individual purchaser.

P. S. 12, § 40.
1888, 390, § 48.
R. L. 13, § 46.
112 Mass. 535.

Sale to be void if purchase money is not paid within twenty days.
1862, 183, § 3.
P. S. 12, § 41.
1888, 390, § 49.

Deed to city or town. Contents.
1862, 183, § 2.
P. S. 12, § 42, 43.
1888, 390, § 50, 51.
1889, 334, § 14.
R. L. 13, § 48.
6 Allen, 576.
131 Mass. 57.

SECTION 50. If unimproved and unoccupied land does not exceed four thousand square feet in area, or is laid out in lots or parcels no one of which exceeds such area, and the taxes unpaid for any one year do not exceed fifty cents on such land, or on any such lot or parcel thereof, the collector may give notice of the sale by publication of an advertisement stating the name of the owner of record of each lot on the first day of May of the year of assessment, the tax due thereon and the number of such lot on a street, way or plan, without further description thereof.

Sale of unimproved, etc., land.
1894, 537, § 1, 2.
R. L. 13, § 49.

SECTION 51. The collector may convey in one deed to the same purchaser or convey to the city or town, any number of the lots so advertised and sold, and said deed shall state the name of said owner of record of each lot conveyed therein, on the first day of May of said year, the amount of the taxes and cost due for each lot, and the number on the street, way or plan of each lot respectively and need contain no further description of the lot, owner or amount due.

Deeds of such land.
1894, 537, § 3.
R. L. 13, § 50.

SECTION 52. The cost of advertisement shall be apportioned equally among all the lots specified in the advertisement; the cost of the sale shall be apportioned

Apportionment of cost of advertisement, sale and deed.

1894, 537, § 4.
R. L. 13, § 51.

Custody of tax
title deeds to
cities and
towns.
Management
of tax titles,
how regulated.
1862, 183,
§§ 2, 4.
P. S. 12, § 43.
1888, 390, § 51.
1889, 334, § 14.
R. L. 13, § 52.

Taking of land
by collector
for taxes.
Notice.
1878, 266, § 5.
1881, 304, § 4.
P. S. 12, § 44.
1888, 390, § 52.
R. L. 13, § 53.

Instrument of
taking, form,
contents, effect.
1878, 266, § 5.
P. S. 12, § 46.
1888, 390, § 54.
1892, 109, § 2.
R. L. 13, § 54.
191 Mass. 576.

Fees for
taking.
1878, 266, § 13.
P. S. 12, § 47.
1888, 390, § 55.

Sale or taking
to be of entire
estate. In
whose name
to be made.
1881, 304, § 4.
P. S. 12, § 48.
1888, 390, § 56.
R. L. 13, § 56.
175 Mass. 355.
180 Mass. 65.
183 Mass. 303.

Affidavit of
collector, etc.,
to be evi-
dence.

equally among all the lots sold, and the cost of the deed shall be apportioned equally among all the lots conveyed thereby.

SECTION 53. Deeds to a city shall be placed in the custody of its collector, and to a town in the custody of its treasurer, and all applications for the redemption of the land conveyed thereby shall be made to such collector or treasurer respectively. Cities and towns may make regulations for the custody, management and sale of such land and for the assignment of tax titles, not inconsistent with law or with the right of redemption.

SECTION 54. If a tax on land is not paid within fourteen days after demand therefor and remains unpaid at the date of taking the collector may take such land for the city or town, first giving three weeks' notice of his intention to exercise such power of taking; which notice may be served in the manner required by law for the service of subpoenas upon witnesses in civil cases or may be published, and shall conform to the requirements of section thirty-nine. He may also post a similar notice under the provisions of section forty-one.

SECTION 55. The instrument of taking shall be under the hand and seal of the collector and shall contain a statement of the cause of taking, a substantially accurate description of each parcel of land taken, the name of the person to whom the same was assessed, the amount of the tax thereon and the incidental expenses and costs to the date of taking, and shall be recorded in the registry of deeds; and the title to the land so taken shall thereupon vest in the city or town subject to the right of redemption.

SECTION 56. If land has been so taken there shall be allowed to the collector and added to the tax the charges and fees fixed by section thirteen.

R. L. 13, § 55.

SECTION 57. The assessment, sale or taking may be made in the name of one or more of the record owners at the date of assessment, and if so made, shall, subject to the provisions of section forty-two, be deemed to be in the name of the owner thereof. Every such sale or taking shall be of the whole estate and not of the undivided interest of any joint owner thereof.

SECTION 58. The affidavit of the collector, deputy collector or disinterested person reciting the proceedings re-

quired by law in the sale of land for taxes, with copies of the advertisement and notices annexed thereto, recorded within three months after such sale in the registry of deeds, shall be competent evidence of demand, notice and service.

1888, 390, §§ 39, 53.
R. L. 13, § 57.

1892, 109, § 1.
152 Mass 203.

1794, 68.
R. S. 8, §§ 22, 23.
G. S. 12, §§ 27, 32.
1878, 266, § 5.
P. S. 12, §§ 34, 45.

SECTION 59. The owner of land taken or sold for payment of taxes, including those assessed under the provisions of sections sixteen, seventeen and eighteen of Part I., or his heirs or assigns, may, within two years after the taking or sale, redeem the same by paying or tendering to the collector, if the estate has been taken or purchased by the city or town, the amount of the tax, all intervening taxes, charges and fees, and interest on the whole at the rate of eight per cent per annum; or by paying or tendering to the purchaser, or his legal representatives or assigns, the original sum and intervening taxes paid by him and interest on the whole at the rate of eight per cent per annum. In each case he shall also pay for examination of the title and for a deed of release not more than three dollars in the aggregate; and in addition thereto the actual cost of recording the tax deed or evidence of taking, and shall be credited with any rents and profits received by the purchaser.

Redemption of land taken or sold for taxes.
1785, 70, § 7.
R. S. 8, § 32.
1850, 98.
§§ 1, 2.
G. S. 12, § 36.
1878, 266, §§ 9, 14.
1879, 73, 94.
1881, 304, § 4.
P. S. 12, § 49.
1888, 390, § 57.
R. L. 13, § 58.
1905, 325, § 1.
98 Mass. 44.
126 Mass. 278, 335.
127 Mass. 504.
130 Mass. 125.
136 Mass. 267.
148 Mass. 446.
166 Mass. 407.
171 Mass. 315.
174 Mass. 303.
177 Mass. 431.
178 Mass. 460.
179 Mass. 41.
112, 183.
185 Mass. 119, 398.
186 Mass. 440.
189 Mass. 139.

He may redeem land so taken or sold as above provided at any time within two years after he has actual notice of the taking or sale:—

First, If the land has been taxed as belonging to persons unknown, and no person has been named in the tax list as owner or occupant.

Second, If the person named in said list is merely a tenant or occupant of the premises, and not the owner thereof.

Third, If there is in the tax lists, notices or deeds any substantial and misleading error in the name of the person taxed.

Fourth, If the person offering to redeem is a mortgagee of record and the tax was not assessed to him.

SECTION 60. Whoever knowingly collects or attempts to collect for the redemption of land sold for payment of taxes a sum of money greater than that authorized by the preceding section shall be punished by a fine of not more than one hundred dollars.

Penalty for attempt to collect unlawful amount for redemption of estate.
1891, 288.
R. L. 13, § 59.

Redemption if purchaser cannot be found.

1848, 166, §§ 6, 8.
G. S. 12, § 37.
P. S. 12, § 50.
1888, 390, § 58.
R. L. 13, § 60.

Disposition of money by treasurer.

Release of title under collector's deed.
1848, 166, § 7.
G. S. 12, § 38.
P. S. 12, § 51.
1888, 390, § 59.
R. L. 13, § 61.
1902, 443.
1905, 325, § 2.
186 Mass. 440.

Mortgagee may pay taxes, when.
1856, 239, § 2.
G. S. 12, § 39.
1878, 266, § 14.
P. S. 12, § 52.
1888, 390, § 60.
R. L. 13, § 62.
129 Mass. 291.
131 Mass. 278.
170 Mass. 551.

— shall pay them on taking possession; entitled to deed on tender.
1856, 239, § 3.
G. S. 12, § 40.
1878, 266, § 14.
1879, 73, 94.
P. S. 12, § 53.
1888, 390, § 61.
R. L. 13, § 63.
5 Allen, 65.
129 Mass. 291.
130 Mass. 126.
131 Mass. 278.
137 Mass. 444.
177 Mass. 431.
179 Mass. 41.

SECTION 61. Any person having an interest in any such land may redeem it as provided in section fifty-nine by paying to the collector of the place in which the land is situated the amount which he would be required to pay to the purchaser, with one dollar additional.

1902, 443.

178 Mass. 460.

179 Mass. 112.

186 Mass. 440.

SECTION 62. Said collector shall receive any money so paid and give to the person paying it a certificate specifying the amount paid, the name of the person to whom and the real estate on which the tax was originally assessed, and the registry of deeds and the book and page of the records therein where the collector's deed is recorded; and the recording of the certificate in said registry shall extinguish all right and title acquired under the collector's deed. The collector shall on demand pay over all money so paid, to the person entitled thereto as determined by him, except that he shall retain one dollar to be accounted for for the use of the city or town, and if the amount so paid is less than the purchaser was entitled to, the balance with interest at eight per cent per annum may after demand therefor be recovered by said purchaser against the person paying such amount, in an action of contract, if such action is commenced within three months after such payment to the collector.

SECTION 63. If proceedings have been commenced for the taking or sale of land for a tax assessed thereon, or if the owner of land has neglected, for three months after demand, to pay such tax, and the collector has made demand therefor upon a holder of a mortgage thereon, such holder may in like manner pay such tax, charges and expenses and the amount so paid may be added to the mortgage debt.

SECTION 64. If the holder of a mortgage takes possession of land thereunder, all taxes due and constituting a lien thereon, and the expenses of any taking or sale which has been commenced or has taken place, may be recovered of him in an action of contract by the collector, or by the purchaser, as the case may be; and upon payment or tender by the mortgagee to the collector or to the purchaser of the amounts so due within the time provided by section fifty-nine for owners of land to make payment, the city or town or the purchaser shall convey to him all the interest acquired by the taking or sale.

SECTION 65. Any part of a tax assessed upon land which is assessed to a mortgagor and mortgagee separately and remains unpaid on the first day of January next following such assessment, may be paid by either party. If a mortgagee pays a tax, interest or costs thereon which by law or by the terms of the mortgage was payable by the mortgagor, the amount so paid shall be added to the mortgage debt. If it is by law or by the terms of the mortgage payable by the mortgagee, and is paid by the mortgagor, the amount so paid shall be deducted from the mortgage debt unless the parties have, in writing, otherwise agreed.

Mortgage taxes payable by either party. To be added to or deducted from mortgage debt. 1881, 304, § 5. P. S. 12, § 55. 1888, 390, § 63. R. L. 13, § 64. 131 Mass. 278.

SECTION 66. If a person other than the owner of the fee, rightfully pays the taxes assessed upon land to the collector or treasurer, before a taking or sale, the treasurer or collector shall give him a certificate of such payment stating the name of the person to whom the land is taxed, of the person paying the tax, and a substantially accurate description of the land. Such certificate being recorded in the registry of deeds within thirty days from its date shall be notice to all persons of such payment and of the lien therefor. A person whose tax is paid by another shall upon repaying the same have the same right to recover it from the city or town, if illegally assessed, which he would have had if the tax had been paid by him under protest in writing.

Payment of taxes by person not the owner of the fee. 1856, 239, §§ 1-3. G. S. 12, § 41. P. S. 12, §§ 54, 57. 1888, 390, §§ 62, 63, 65. R. L. 13, § 65.

Effect on remedy for illegal assessment.

SECTION 67. If land is taken or purchased by a city or town, taxes shall be assessed thereon as though the same were not so taken or purchased; and shall be deducted from the proceeds of the final sale.

R. L. 13, § 66.

Assessment of land taken by a city or town. 1862, 183, § 8. 1878, 266, § 10. P. S. 12, § 56. 1888, 390, § 64.

SECTION 68. If no person redeems land taken or purchased by a city or town within the time prescribed by law, its collector for the time being, without any vote or other special authority shall, within two years after the time for redemption has expired, sell the same by public auction, first giving the notice required by the provisions of section forty-one for sales for taxes; and if, from any cause, such sale shall not be made within two years, it shall be made by the collector when he deems best or at once upon the service upon him of a written demand of any person interested therein. The collector shall state in his notice of sale the smallest amount for which the sale will be made and shall, for the city or town, execute and deliver to the highest bidder therefor a quitclaim deed. He

Sale of unredeemed land taken by city or town. 1862, 183, § 7. 1878, 266, § 10. P. S. 12, § 58. 1883, 101. 1886, 320, § 1. 1888, 390, § 66. R. L. 13, § 67.

shall deduct from the proceeds of said sale the expense thereof, the amount named in the collector's deed or instrument of taking as due when the same was executed, all interest, charges and subsequent taxes and assessments thereon. The balance shall be deposited with the city or town treasurer to be paid to the person entitled to the land, if demanded within five years; otherwise it shall inure to said city or town.

SECTION 69. If no person bids at such sale said amount or more, or if the person to whom the land is sold does not within ten days pay to the collector the sum bid by him, the collector shall make an affidavit of the facts, which shall be recorded in the registry of deeds within thirty days of the date at which the land was offered for sale, after which said affidavit shall be in the custody of the city or town treasurer, and the same, or a copy thereof, certified by the register of deeds, shall be prima facie evidence of the facts therein stated.

SECTION 70. The collector shall, within thirty days after the recording of said affidavit, take possession of said land in behalf of the city or town, which may make regulations for the custody, management and sale thereof, and taxes shall be assessed thereon in the name of such city or town until it shall be sold; and such subsequent sale and the money received therefrom shall be held as provided in section sixty-eight.

PROCEEDINGS IF TAX TITLE IS HELD INVALID.

SECTION 71. If a collector has reasonable cause to believe that the title to land which has been sold for the non-payment of taxes or of assessments, a lien for which is enforceable by a sale of land, is invalid by reason of an error, omission or informality in the assessment or sale, he may, within two years after the date of the deed of such land, give notice to the record owner thereof, requiring him, within thirty days thereafter, to release any interests which he may have in such land under said deed, and to receive from the city or town the amount paid therefor with interest at ten per cent or to file with the collector a statement in writing that he refuses to release such interest. Such statement, if recorded in the registry of deeds, shall release the city or town from any liability upon the warranty in said deed.

Proceedings
if no sufficient
bid is made.
1886, 320, § 2.
1888, 390,
§§ 67, 68.
R. L. 13, § 68.

Collector to
take possession
of unredeemed
land held by
city or town.
1886, 320, § 3.
1888, 390, § 68.
R. L. 13, § 69.

Proceedings of
collector who
deems tax title
invalid.
1878, 266, § 2.
P. S. 12, § 59.
1888, 390, § 69.
1889, 334, § 15.
R. L. 13, § 70.

SECTION 72. If, within thirty days after such notice, such owner does not comply therewith, the collector shall cause a copy thereof, with an affidavit by himself or by a disinterested person of the service thereof and of the facts in the case, to be recorded in the registry of deeds. A note of reference to the record of said copy shall be made on the margin of the record of the collector's deed therein referred to; and from the time of such record the interest payable by reason of a breach of warranty in such deed shall cease, and all right and title which may have been acquired under such deed shall be held to be released. The collector shall give notice of such proceedings to the treasurer of the city or town, who shall, upon reasonable demand, pay over out of any funds in his hands the amount due in respect of said deed to the persons entitled thereto.

Notice to holder of such title.
1878, 266, § 3.
P. S. 12, § 60.
1888, 390, § 70.
R. L. 13, § 71.

SECTION 73. If the invalidity of a title described in section seventy-one was caused by an error, omission or informality in the assessment, the collector, after obtaining from the holder of the deed a release of his interest or after causing a copy of the notice to be filed and recorded as provided in the preceding section, shall forthwith notify the board by which the tax or assessment was laid, which shall forthwith re-assess it as provided in section eighty-six of Part I. If such invalidity was caused by an error, omission or informality in the proceedings of the collector, he shall, after obtaining such release or after filing and recording such copy, forthwith collect the unpaid tax or assessment in conformity to law. If the collector has reasonable cause to believe that a tax title, held by a city or town under a sale or taking for payment of a tax, is invalid by reason of any error, omission or informality in the assessment, sale or taking, he may disclaim and release such title by an instrument under his hand and seal, duly recorded in the registry of deeds.

Re-assessment and collection. Disclaimer of title by taking.
1878, 266, §§ 4, 7.
P. S. 12, §§ 61, 62.
1888, 390, §§ 71, 72.
1889, 334, § 15.
R. L. 13, § 72.

LIEN OF CO-TENANTS.

SECTION 74. A tenant in common or joint tenant, who pays the entire tax assessed upon the land held jointly or in common, shall have a lien upon the interest of each of his co-tenants, to secure the payment to him of the proportion of such tax payable by each of said co-tenants respectively, with the costs of enforcing the same; but

Tenant in common, etc., paying tax, to have lien on interest of co-tenant.
1875, 236, § 1.
P. S. 12, § 63.
1888, 390, § 73.
R. L. 13, § 73.

any person whose tax has been so paid by his co-tenant shall have the same right to recover it back if illegally assessed as he would have had if the tax had been paid under a protest by him in writing.

Enforcement
and dissolution
of lien.
1875, 236,
§§ 2-5.
P. S. 12 §§ 64,
65.
1888, 390,
§§ 74, 75.
R. L. 13, § 74.
148 Mass. 444.

SECTION 75. Such lien may be enforced in the manner provided for enforcing liens on buildings and land; and shall be dissolved, unless the person desiring to avail himself thereof makes a certificate setting forth a description, sufficiently accurate for identification, of the property intended to be covered by the lien, the names of the several co-tenants and the interest of each therein, the amount of the tax paid, and the amount due from each co-tenant, which shall be subscribed and sworn to by him, or by some one in his behalf, and shall within thirty days after the day of payment of said tax be recorded in the registry of deeds, and unless a suit to enforce it is commenced within ninety days after the date of recording said certificate. Such lien shall not be valid against a mortgage actually existing and duly recorded prior to the recording of said certificate.

MISCELLANEOUS PROVISIONS.

Relief in
equity. 1
1849, 213, § 2.
1856, 239, § 4.
G. S. 12, § 42.
1878, 266, § 14.
P. S. 12, § 66.

SECTION 76. The supreme judicial court and the superior court shall have jurisdiction in equity in all cases of taking or sale of land for the payment of taxes if relief is sought within six years after the taking or sale.

1888, 390, § 76.	11 Gray, 410.	143 Mass. 59.	177 Mass. 431.
1900, 177.	98 Mass. 44.	150 Mass. 73.	178 Mass. 460.
R. L. 13, § 75.	99 Mass. 209.	168 Mass. 76.	179 Mass. 112.
1905, 325, § 3.	112 Mass. 86.	172 Mass. 436.	187 Mass. 474.
10 Met. 101.	126 Mass. 337.	175 Mass. 485.	189 Mass. 366.

By-laws, etc.,
to regulate
power of sale
or of taking by
collector.
1878, 266, § 6.
1879, 169.
P. S. 12, § 67.
1888, 390, § 77.
R. L. 13, § 76.

SECTION 77. A city or town may, by ordinance or by-law, respectively, direct whether its collector shall exercise the power of sale or the power of taking to enforce the lien for taxes; and in default of such ordinance or by-law the collector may exercise either power at his discretion; but the passage of any such ordinance or by-law shall not render invalid any proceedings then pending.

Posting of tax
list, etc., by
sheriff.
1785, 70, §§ 3, 4.
R. S. 8, § 34.
G. S. 12, § 43.
P. S. 12, § 68.
1888, 390, § 78.
R. L. 13, § 77.
Sheriff's fees
for collecting.
1785, 70, § 4.

SECTION 78. When the tax list and warrant of the assessors is committed to the sheriff or his deputy, he shall forthwith post, in some public place in the city or town assessed, an attested copy of said list and warrant; and shall make no distress for a tax within thirty days thereafter.

SECTION 79. If a person pays his tax within said thirty days, the officer shall receive from him for his fees

five per cent on the sum assessed; but if a tax remains unpaid after said thirty days, he shall collect the same by distress or imprisonment, or by sale of land as a collector would do. The officer may also levy his fees for service and travel in the collection of each person's tax, as in other cases of distress and commitment, or sale of land.

R. S. 8, § 35.
G. S. 12, § 44.
P. S. 12, § 69.
1888, 390, § 79.
R. L. 13, § 78.

SECTION 80. If a city or town appoints its treasurer the collector of taxes, he may issue his warrants to the sheriff of the county, or his deputy, or to any constable of the city or town, returnable in sixty days, requiring them to collect any or all taxes due. Such warrants shall be substantially in the same form, and shall confer the same powers as warrants by assessors to collectors.

Proceedings of treasurer as collector.
1817, 69.
1834, 148.
R. S. 8, §§ 36, 61.
G. S. 12, § 45.
1874, 28, § 2.
P. S. 12, § 70.
1888, 390, § 80.
R. L. 13, § 79.

8 Allen, 330.

191 Mass. 503.

SECTION 81. When any foreign corporation or non-resident person doing business in the commonwealth shall for sixty days neglect, refuse or omit to pay a tax lawfully assessed and payable, any court having jurisdiction in equity may upon petition of the collector of taxes of the city or town where the tax is assessed restrain said corporation or person from doing business in the commonwealth until said tax, with all incidental costs and charges, shall have been paid. Service of process upon any such petition may be made by an officer duly qualified to serve process, by leaving a duly attested copy thereof at the place where the business is carried on.

Foreign corporations and non-residents may be restrained.
1902, 349.
194 Mass. 127.

SECTION 82. The board of aldermen or selectmen may empower any officer authorized to collect taxes to appoint such deputies as he deems expedient. Such deputies shall give bond for the faithful performance of their duties in such sum as the board of aldermen or selectmen may prescribe and shall have the powers of collectors of taxes.

Deputy collectors, appointment, bond.
1874, 28, § 1.
P. S. 12, § 71.
1888, 390, § 81.
R. L. 13, § 80.

SECTION 83. The treasurer or other disbursing officer of any city or town, may, and if so requested by the collector, shall, withhold payment of any money payable to any person whose taxes are then due and wholly or partly unpaid to an amount not exceeding the unpaid tax with interest and costs. The sum withheld shall be paid or credited to the collector, who shall, if required, give a written receipt therefor. The person taxed may in such case have the same remedy as if he had paid such tax after a levy upon his goods. The collector's rights under the provisions of this section, shall not be affected by any assignment or trustee process.

City, etc., treasurer may withhold money due to persons owing taxes.
1878, 266, § 8.
P. S. 12, § 72.
1888, 390, § 82.
R. L. 13, § 81.

Accounts of collectors to be exhibited bi-monthly if required.

1783, 66,

§§ 1, 2,

R. S. 8, §§ 45,

46,

G. S. 12, §§ 46,

47,

P. S. 12, §§ 73,

74.

Credits to collectors for abatements, etc.

1785, 42, § 6.

R. S. 8, § 43.

G. S. 12, § 48.

1862, 183, § 5.

P. S. 12, § 75.

1888, 390, § 85.

R. L. 13, § 83.

9 Met. 503.

13 Gray, 324.

Removal by selectmen of disqualified collector.

1783, 10, § 1.

1785, 46, § 15.

1791, 22, § 1.

R. S. 8, § 40.

G. S. 12, § 52.

P. S. 12, § 79.

1888, 390, § 89.

R. L. 13, § 84.

7 Gray, 130.

Tax list of deceased, etc., collector, how completed.

1785, 46, § 5;

70, § 1.

R. S. 8, § 39.

G. S. 12, § 53.

1881, 138, § 1.

P. S. 12, §§ 80,

81.

Action to recover back taxes paid to collector, when maintainable.

1859, 118,

§§ 3, 4.

G. S. 12, § 56.

P. S. 12, § 84.

1888, 390, § 94.

R. L. 13, § 86.

9 Gray, 38.

13 Gray, 476.

1 Allen, 319.

10 Allen, 48.

99 Mass. 209.

102 Mass. 348.

126 Mass. 98.

SECTION 84. The mayor and aldermen or the selectmen may require the collector once in two months to exhibit to them a true account of all money received on the taxes committed to him, and to produce the treasurer's receipts for all money paid into the treasury by him. If he neglects or refuses so to exhibit his accounts, he shall forfeit two and one-half per cent on the sums committed to him for collection.

1888, 390, §§ 83, 84.

R. L. 13, § 82.

SECTION 85. The collector shall be credited with all sums abated; with the amount of taxes assessed upon any person committed to jail for non-payment of his tax within one year from the receipt of the tax list by the collector, and who has not paid his tax; with any sums which the city or town may see fit to abate to him, due from persons committed after the expiration of a year; with all sums withheld by the treasurer of a city or town under section eighty-three; and with the amount of the taxes and charges where land has been purchased or taken by the city or town for non-payment of taxes.

SECTION 86. If a collector becomes insane, absconds or removes from the city or town or in the judgment of the board of aldermen or of the selectmen is about so to remove or is otherwise unable to discharge his duty, or if he refuses on demand to exhibit to the board of aldermen or to the selectmen his books, vouchers and accounts of collections as herein provided, the board of aldermen or the selectmen may remove him from office.

SECTION 87. If a collector dies or is removed from office or if the term of office of a collector who is paid by a fixed salary expires before the collection of the taxes committed to him is completed, the assessors shall commit to his successor the list of taxes uncollected with their warrant.

1888, 390, §§ 90, 91.

R. L. 13, § 85.

1 Met. 524.

SECTION 88. No action to recover back a tax shall be maintained, except as provided in section seventy-four, unless it is commenced within three months after payment of the tax nor unless such tax is paid either after an arrest of the person paying it, a levy upon his goods, a notice of a sale of his land, a protest in writing signed by him, or a withholding of money due to him under the provisions of section eighty-three. In an action founded upon an error or irregularity in the assessment or apportionment of a tax, only the amount in excess of the tax for which the plain-

tiff was liable shall be recoverable; and no sale, contract or levy shall be avoided solely by reason of such error or irregularity.

151 Mass. 226.

152 Mass. 204.

SECTION 89. The following forms may be used in proceedings for the collection of taxes under the provisions of this part, and, if substantially followed, they shall be deemed sufficient for the proceedings to which they respectively relate; but other suitable forms may also be used. These forms may also be used, so far as applicable, in the collection of betterments and other assessments of like character.

Forms.

1888, 390, § 96.

1889, 334, § 16.

R. L. 13, § 87.

180 Mass. 411.

SCHEDULE OF FORMS.

No. 1.—FORM OF DEMAND UNDER SECTION 14.

COLLECTOR'S OFFICE, B, , 19 .

To.....

Herewith find your tax bill due 19 , amounting to \$. Payment of the same is hereby demanded. [If interest has been voted by the city or town, add] Interest at the rate of per cent per annum will be charged from 19 . You are hereby notified that unless your tax is paid in fourteen days from this date, with all legal charges, the collector will then proceed to collect the same according to law.

C D,

Collector of Taxes for the of .

No. 2.—FORM OF NOTICE OF SALE OF DISTRAINED PROPERTY UNDER SECTION 21.

COLLECTOR'S SALE.

Distrained upon a warrant of distress for non-payment of taxes, and will be sold by public auction on , the day of , 19 , at o'clock M., at , unless said taxes, interest and charges shall be paid before the sale, the following described property, to wit: [Here describe the property.]

B, , 19 . C D,

Collector of Taxes for the of .

No. 3.—FORM OF NOTICE OF ADJOURNMENT OF SALE UNDER SECTION 22.

[To the original notice of sale, or a copy thereof, add the following, and post at the place of sale:—]

The collector hereby gives notice that the above sale stands adjourned to , the day of , 19 , at the same hour and place.

B, , 19 . C D,

Collector of Taxes for the of .

NO. 4. — FORM OF CERTIFICATE TO BE MADE UPON AN ATTESTED COPY OF WARRANT WHEN CORPORATE STOCK IS SEIZED UNDER SECTION 23.

COLLECTOR'S OFFICE, B, , 19 .

I hereby give notice that I have seized share of the capital stock of the [A B Company] standing in the name of by virtue of a warrant of distress, a copy of which is herewith presented. Said share being seized and distrained for the non-payment of a tax duly assessed upon the said by the assessors of for the year 19 , amounting to the sum of which the said , after due demand, has neglected and refused to pay.

B, , 19 . C D,
Collector of Taxes for the of .

NO. 5. — FORM OF COLLECTOR'S WARRANT TO DISTRAIN OR COMMIT UNDER SECTION 31.

COMMONWEALTH OF MASSACHUSETTS.

To the Sheriffs of our several Counties, or their Deputies, or to any Constable of or Deputy Collector of Taxes for the of in the County of

GREETING:

WHEREAS, a resident of in the County of was duly assessed as of the first day of May in the year nineteen hundred and , by the Assessors of the of a tax in the sum of dollars; and the same now, after the expiration of fourteen days from the date of a demand made upon him by me in accordance with law for the payment of the same, remains unpaid; Therefore,

In the name of the Commonwealth of Massachusetts, you and each of you, are required and directed to distrain the goods or chattels of the said person so assessed sufficient to satisfy and pay the amount due for such tax and interest, and all fees and charges of keeping and selling the same, saving and excepting the tools or implements necessary for the trade or occupation of the said person so assessed, beasts of the plow necessary for the cultivation of his improved land; military arms; utensils for housekeeping necessary for upholding life; and bedding and apparel necessary for the said person so assessed and his family. And the goods and chattels so distrained by you, you are required to keep at the cost and charge of the owner for four days at least and within seven days after the seizure to sell the same at public auction, for the payment of the said amount due, having first posted up a notice of the sale in some public place in the town or city where found, forty-eight hours at least before the sale: *provided, however*, that you may, if you shall see fit, once adjourn said sale for a time not exceeding three days, in which case you

shall forthwith post up a notice of such adjournment and of the time and place of sale. And if said distress shall be sold for more than the said amount due, you shall return the surplus to the owner of such goods or chattels upon demand, with an account in writing of the sale and charges. And if you cannot find sufficient goods and chattels belonging to the person assessed, whereon to make distress, you shall take the body of the said person and him commit to one of the common jails in the county in which you shall arrest him, there to remain until he shall pay said tax, interest, charges, and fees, or until he shall be discharged therefrom by due course of law.

And in case you shall commit said person so assessed to jail by virtue of this Warrant, you are required to give the keeper of the jail wherein he may be committed an attested copy of this Warrant, with a certificate thereon under your hand, setting forth that for want of goods and chattels of the said person whereof to make distress, you have taken his body and committed him to jail as aforesaid; and also setting forth the amount said person is to pay as his tax, interest, charges, and fees.

Hereof fail not, and make return of this Warrant, with your doings thereon, within sixty days from the date hereof.

Given under my hand and seal this day of 19 .
C D, [SEAL.]
Collector of Taxes for the of .

NO. 6. -- FORM OF CERTIFICATE REQUIRED BY SECTION 27 TO BE GIVEN BY A COLLECTOR WHEN A COMMITMENT IS MADE BY HIM.

, 19 .

I hereby certify that the tax assessed in the [city or town] of as of the first day of May in the year upon remains unpaid for fourteen days after demand therefor made by me; and that for want of goods and chattels whereof to make distress, I commit the said person to jail.

I also certify that the amount the said person is to pay for said tax, interest, charges and fees, is dollars.

C D,
Collector of Taxes for the of .

NO. 7. -- FORM OF CERTIFICATE REQUIRED BY SECTION 27 TO BE INDORSED ON COPY OF WARRANT IN CASE OF COMMITMENT.

, 19 .

I hereby certify that, by virtue of the warrant, of which the within is a true copy, for want of goods and chattels whereof to make distress, I have taken the body of the within named and committed him to jail, and that the amount which he is to pay as his tax, interest, charges and fees is dollars.

E F,
Deputy Collector of Taxes for the of .

No. 8. — FORM OF SUMMONS UNDER SECTION 15.

B, , 19 .

To.....

Your tax for the year 19 , amounting to \$ (and interest thereon), is now due. You are required to pay the same within ten days from this date with twenty cents for this summons. At the expiration of that time, if the tax is not paid, the collector will proceed to collect the same according to law.

C D,
Collector of Taxes for the of .

No. 9. — FORM OF DEMAND OF TAX ON REAL ESTATE UNDER SECTION 35.

COLLECTOR'S OFFICE, C, , 19 .

To.....

In compliance with the statute I hereby demand of you payment of dollars, that being the amount of tax assessed for the year 19 on the estate in this [city or town] [here give a brief statement of the estate] and owned or occupied by you at the date of assessment. You are hereby notified that if said amount, together with the interest, legal costs and charges thereon, is not paid within fourteen days from this date, the said estate will be sold by public auction, pursuant to law.

C D,
Collector of Taxes for the of .

No. 10. — FORM OF COLLECTOR'S NOTICE OF SALE OF REAL ESTATE TO BE PUBLISHED IN A NEWSPAPER UNDER SECTION 38.

B, , 19 .

The owners and occupants of the following described parcels of real estate situated in the [city or town] of , in the county of and Commonwealth of Massachusetts, and the public are hereby notified that the taxes thereon severally assessed for the years hereinafter specified, according to the list committed to me as collector of taxes for said by the assessors of taxes, remain unpaid, and that the smallest undivided part of said land sufficient to satisfy said taxes, with interest and all legal costs and charges, or the whole of said land if no person offers to take an undivided part thereof, will be offered for sale by public auction at the in said on , 19 , at o'clock M., for the payment of said taxes with interest, costs and charges thereon, unless the same shall be previously discharged. [Here state the name of the party taxed, if known; a substantially accurate description of the estate; the year in which the tax is assessed; and the amount of the tax on each parcel of real estate.]

C D,
Collector of Taxes for the of .

No. 11. — FORM OF AFFIDAVIT OF COLLECTOR, DEPUTY COLLECTOR OR DISINTERESTED PERSON OF DEMAND UNDER SECTION 57 TO BE RECORDED IN THE REGISTRY OF DEEDS.

S, , 19 .

I [A B, *collector, deputy collector or a disinterested person*,] hereby certify that on the day of , 19 , I served upon a demand for the payment of a tax of dollars assessed upon him by the assessors of , in 19 , upon the estate in said [here give a substantially accurate description of the estate], with a notice that if said amount and interest thereon, together with the legal costs and charges and interest thereon, was not paid within fourteen days from the date thereof, that the said estate would be sold by public auction, pursuant to law. A B.

COMMONWEALTH OF MASSACHUSETTS.

H , ss. , 19 .

Then personally appeared the said A B, and made oath that this statement by him subscribed is true.

Before me,
Justice of the Peace.

No. 12. — FORM OF AFFIDAVIT UNDER SECTION 57, WHEN THE DEMAND IS MADE UPON TWO OR MORE PERSONS.

S, , 19 .

I [A B, *collector, deputy collector or a disinterested person*,] hereby certify that on or since the day of 19 , I served on each of the parties hereafter mentioned, on the date and in the manner specified, as may be seen by reference to their respective names, a demand like the blank hereunto attached, the blanks being first filled with the date, name, amount of the tax, and location of the real estate. A B.

Names.	Amount of Tax.	Manner and Date of Service.

COMMONWEALTH OF MASSACHUSETTS.

H , ss. S, , 19 .

Then personally appeared the said A B, and made oath that the above statement by him subscribed is true.

Before me,
Justice of the Peace.

[Here annex the blank form, No. 9, referred to in the affidavit.]

NO. 13. — FORM OF AFFIDAVIT OF POSTING AND PUBLISHING ADVERTISEMENT OF SALE UNDER SECTION 57.

S, , 19 .

I, A B, of , in the County of , and Commonwealth of Massachusetts [*collector, deputy collector or a disinterested person,*] hereby certify that three weeks before the time of sale I witnessed the posting [or posted] pursuant to law the printed notice of the collector of taxes, a copy whereof is hereto annexed, in a convenient and public place in his precinct, to wit: The , in said [city or town], and that said notice was advertised three weeks successively in the , a newspaper published in [city or town] [or if there is no such newspaper, state that fact and add: in said County], the last publication being at least one week before the advertised time of sale; in accordance with law. A B.

COMMONWEALTH OF MASSACHUSETTS.

H , ss. S, , 19 .

Then personally appeared the above named , and made oath that the foregoing statements by him subscribed are true.

Before me,

Justice of the Peace.

[Here annex a copy of the advertisement.]

NO. 14. — FORM OF DEED UNDER SECTIONS 41 AND 43.

COMMONWEALTH OF MASSACHUSETTS.

To all Persons to whom these Presents may come,

I, , Collector of Taxes for the [city or town] of , in the County of and Commonwealth of Massachusetts,

SEND GREETING:

WHEREAS, the Assessors of Taxes of said of , in the lists of assessments for taxes, which they committed to me to collect for the year one thousand nine hundred and , duly assessed as owner of the land in said , which is hereinafter described, the sum of dollars and cents, for State, County and [City or Town] Taxes thereon; and whereas, on the day of , A.D. 19 , I duly demanded of said [if the demand was made on a mortgagee or an attorney of a non-resident owner, here insert the fact] the payment of said taxes, so as aforesaid assessed on said land, and the same were not paid; and whereas, after the expiration of fourteen days from the time of demanding payment of said taxes as aforesaid, the same still remaining unpaid, I duly advertised that the smallest undivided part of said land sufficient to satisfy said taxes with interest and all legal costs and charges, or the whole of said land if no person offers to take an undivided part thereof, would be sold by public auction for the payment of said taxes with interest, and all legal costs

and charges, on the _____ day of _____, A.D. 19____, at _____ o'clock in the _____ noon, at the _____, in said _____, by publishing an advertisement thereof, containing also a substantially accurate description, and the name of the owner of said land, and the amount of the taxes so as aforesaid assessed thereon, in the _____, a newspaper published in _____, in the county where said land lies, three weeks successively, the last publication whereof was one week before the time appointed for the sale, and by posting the said advertisement in _____ public and convenient places in said _____, to wit: the _____, three weeks before the time appointed for said sale; and whereas, said taxes so as aforesaid assessed on said land were not paid, I proceeded at the time and place appointed as aforesaid for the sale, to sell said land by public auction for the discharge and payment of said taxes thereon with interest, and said legal costs and charges [if the sale is adjourned add here], and no person appeared and bid for an undivided part or for the whole of the land thus offered for sale an amount equal to the said taxes, interest, costs and charges, and I thereupon, at said time and place appointed for said sale, adjourned said sale until _____ the _____ day of _____, A.D. 19____, at _____ o'clock in the _____ noon, at the same place, and then and there made public proclamation of said adjournment; and in like manner in all respects and for the same cause, I adjourned said sale [here state the successive dates, hours and places to which the sale was adjourned], and then and there made public proclamation of said adjournments; and at the time and place so fixed and proclaimed for making said sale on each of the several days, I proceeded to offer for sale said land by public auction for the payment of said taxes, interest, costs and charges, and no person appeared at either time so fixed by adjournment for said sale and bid a sum equal to said taxes, interest, costs and charges,* until on the _____ day of _____, A.D. 19____, the time and place so fixed for said sale by the last of the said adjournments [use such of these averments as will conform to the facts], I proceeded again to offer for sale by public auction for the payment of said taxes, interest, costs and charges, the smallest undivided part of said land sufficient for the payment of said taxes with interest and legal costs and charges, [and no person offering at said auction to take an undivided part of said land, the whole of said land was struck off to _____ of _____ in the county of _____ and State of _____ for the sum of _____ dollars and _____ cents, he being the highest bidder therefor:] [If an offer is made for an undivided part substitute for the portion in brackets the following: and _____ of _____ in the county of _____ and State of _____ offered at said auction to take one undivided part of said land and to pay therefor the amount of said taxes with interest and the legal costs and charges, and that being the smallest undivided part of said land offered to be taken for the payment of said taxes, interest, costs and charges, one undivided part of said land was struck off to said _____.]

Therefore, know ye, that I, the said _____, Collector of Taxes as aforesaid, by virtue of the power vested in me by law, and in consideration of the said sum of _____ dollars and _____ cents to me paid by said _____, the receipt whereof I do hereby acknowledge, do hereby give, grant, bargain, sell and convey unto _____ the said _____ [the following described land, the same being the land taxed as aforesaid, to wit: Here describe the land.] [If a sale is made of an undivided part substitute for the words in brackets the following: one undivided _____ part of the following described land, being the land taxed as aforesaid, to wit: Here describe the land.]

To have and to hold the same, to _____ the said _____, h _____ heirs and assigns, to _____ and _____ their use and behoof forever; subject to the right of redemption by any person legally entitled to redeem the same.

And I, the said collector, do covenant with the said _____, h _____ heirs and assigns, that the sale aforesaid has, in all particulars, been conducted according to law.†

In witness whereof, I, the said _____, Collector as aforesaid, have hereunto set my hand and seal, this _____ day of _____, in the year of our Lord one thousand nine hundred and _____.

[SEAL.]

Collector of Taxes for the _____ of _____.

Signed, sealed and delivered in presence of _____.

ss.

19 .

Then personally appeared the above named _____, Collector of Taxes for the _____ of _____, and acknowledged the foregoing instrument to be his free act and deed.

Before me,

Justice of the Peace.

NO. 15. — FORM OF DEED WHEN THE CITY OR TOWN IS THE PURCHASER UNDER SECTIONS 46 AND 48.

[Proceed as in No. 14 to the * and continue as follows: —] and no person appeared and bid for the estate thus offered for sale an amount equal to the said taxes, interest, costs and charges, and I thereupon, at said time and place appointed for sale, adjourned said sale until the _____ day of _____ A.D. 19 _____, at o'clock in the _____ noon at the same place, and then and there made public proclamation of said adjournment; and in like manner in all respects and for the same cause I adjourned said sale [here state the successive dates, hours and places to which the sale was adjourned], and then and there made public proclamation of said adjournments; and at the time and place so fixed and proclaimed for making said sale on each of said several days, I proceeded to offer for sale said real estate by public auction for the payment of said taxes, interest, costs and charges, and no person appeared at either time so fixed by adjournment for said sale and bid a sum equal to said taxes, interest, costs and charges, and at the time and place so fixed for said sale by the

last of the said adjournments, namely, on the day of , A.D. 19 , at o'clock in the noon, I made a public declaration of all the facts hereinbefore recited; and no person then appeared and bid a sum equal to said taxes, interest, costs and charges [if only one adjournment is made, change these averments to conform to the facts]; and I thereupon then and there immediately gave public notice that I should, and that I then and there did purchase on behalf of the said of , said real estate for the sum of dollars and cents, being the amount of said taxes, interest, costs and charges;

Therefore know ye, that I, the said , Collector of Taxes as aforesaid, by virtue of the power vested in me by law, and in consideration of the premises, hereby give, grant, bargain, sell and convey unto the said of , the following described real estate, the same being the land taxed as aforesaid, to wit: [Here describe the estate.]

To have and to hold the same, to the said [city or town] of , and its assigns, to its and their use and behoof forever; subject to the right of redemption by any person legally entitled to redeem the same.

And I, the said Collector, do covenant with the said of , and its assigns, that the sale aforesaid has, in all particulars, been conducted according to law. [Conclude as in No. 14 from the †.]

No. 16. — FORM OF DEED TO CITY OR TOWN, WHEN THE PURCHASER FAILS TO PAY, ETC., UNDER SECTIONS 47 AND 48.

[Proceed as in No. 14 to the * and continue as follows:—] and the said real estate was struck off to of in the County of and State of for the sum of dollars and cents, he being the highest bidder therefor; and whereas, the said failed to pay to me the sum offered by him as aforesaid, and receive his deed of the premises bid off by him, within ten days after the said sale, and the said sale became null and void, and the said of thereby became the purchaser of the premises so bid off by the said for the sum of dollars and cents, being the amount of said taxes, interest, costs and charges;

Therefore know ye, that I, the said Collector of Taxes as aforesaid, by virtue of the power vested in me by law, and in consideration of the premises, hereby give, grant, bargain, sell and convey unto the said of , the following described real estate, the same being the land taxed as aforesaid, to wit: [Here describe the estate.]

To have and to hold the same, to the said of , and its assigns, to its and their use and behoof forever; subject to the right of redemption by any person legally entitled to redeem the same.

And I, the said Collector, do covenant with the said of and its assigns, that the sale aforesaid has, in all particulars been conducted according to law. [Conclude as in No. 14 from the †.]

No. 17.—FORM OF NOTICE OF INTENTION TO TAKE REAL ESTATE UNDER SECTION 53.

COLLECTOR'S NOTICE.

The owners and occupants of the following-described parcels of real estate situate in the _____ of _____, in the County of _____, and Commonwealth of Massachusetts, and all other persons, are hereby notified that the taxes thereon, severally assessed for the year hereinafter specified, according to the list committed to me as Collector of Taxes for the said _____ of _____, by the Assessors of Taxes of said _____, remain unpaid, and that said parcels of real estate will be taken for the said _____ of _____, on _____ the _____ day of _____ A.D. 19 _____, at _____ o'clock _____ M., for the payment of said taxes, together with the interest, costs and charges thereon, unless the same shall be previously discharged. [Here state the name of owner or occupant, a description of the parcel or parcels of lands, the year for which the taxes were assessed, and the sum assessed upon each parcel.]

C D,
Collector of Taxes for the _____ of _____.

No. 18.—FORM OF AFFIDAVIT OF DEMAND AND NOTICE TO BE ANNEXED TO THE INSTRUMENT OF TAKING UNDER SECTION 57.

I, C D, _____ of _____ in the County of _____, and Commonwealth of Massachusetts, on oath depose and say that on the _____ day of _____ A.D. 19 _____, I, as Collector of Taxes for the _____ of _____, made a written demand on _____ for the amount of the tax assessed by the assessors of said _____ of _____, as of the first day of May, A.D. 19 _____, upon the said _____, with the interest, costs and charges, then due, on certain real estate situated in said _____ of _____, by [Here state manner in which the demand was made], of which the following is a true copy:—

“COLLECTOR'S OFFICE, _____ 19 _____.

To _____, I hereby demand of you the payment of _____ dollars and _____ cents, that being the amount of tax assessed for the year 19 _____ by the assessors of _____, on the real estate [Here describe the estate] owned by you. You are hereby notified that if said amount, together with the interest, costs and charges thereon, is not paid within fourteen days from this date, the said real estate will be taken for said taxes for the said [city or town] of _____. Tax, \$ _____; interest, costs and charges, \$ _____.

C D,
Collector of Taxes for the _____ of _____.”

[If notice is published and posted, add:] And I, the said C D, do further depose and say that I posted and published notices, of

which the following is a copy [Here annex a copy of the notice], as follows: A copy thereof was posted on [Here state where posted], and I also published a copy of said notice in the , a newspaper published in said [If there be no such paper published in said town, state the fact and add, "in in said county"], three weeks successively, that the posting of said notices and the first publication thereof was more than fourteen days after making the demand as aforesaid; and I do further depose and say that, at the date of the instrument of taking, hereto annexed, the amount of taxes due on the estate therein described, with the interest, costs and charges, amounted to the sum of - dollars and cents, and that the parcel or parcels of land were taken for the reason that the taxes remained unpaid at the time of the said taking.

C D,
Collector of Taxes for the of .

ss. , 19 .

Then personally appeared the above named C D, and made oath that the foregoing affidavit by him subscribed is true.

Before me,

Justice of the Peace.

No. 19. — FORM OF TAKING OF REAL ESTATE UNDER SECTION 54.

Whereas, the tax assessed by the assessors of as of the first day of May, in the year 19 , upon as the owner or occupant of the real estate hereinafter described, was duly committed to me as Collector of Taxes for said of ; and whereas, the said taxes, amounting to dollars and cents, have not been paid; and whereas, a demand for the payment of said taxes and the interest, costs and charges then due was made by me on the said on the day of , last past, in conformity to law; and whereas, notice of my intention to take said real estate by virtue of the authority vested in me as Collector of Taxes for said has been duly made, as by law required; and whereas, the said taxes, at the date of this instrument, remain unpaid; now, therefore, KNOW ALL MEN BY THESE PRESENTS, that I, , as Collector of Taxes as aforesaid, by virtue of the power and authority in me vested as aforesaid, have taken, and by these presents do take, for the said of , subject to redemption according to law, the following described lot or parcel of land, with the buildings thereon, the same being the estate assessed as aforesaid, to wit: [Here describe the estate.] The said is the only person known to me as owner of the above described estate.

In witness whereof, I, the said , as Collector as aforesaid, hereunto set my hand and seal this day of , in the year nineteen hundred and .

C D, [SEAL.]
Collector of Taxes for the of .

NO. 20. — FORM OF DEED BY CITY OR TOWN WHEN ESTATE IS REDEEMED UNDER SECTION 58, TO BE EXECUTED BY THE PROPER OFFICERS OF THE CITY OR TOWN.

KNOW ALL MEN BY THESE PRESENTS,

That the _____ of _____, in consideration of _____, to it paid by _____ of _____, the receipt whereof is hereby acknowledged, does hereby remise, release, and forever quitclaim unto the said _____ all the right, title and interest which the said _____ of _____ acquired, by or under a deed made to it by _____, the Collector of Taxes for said [city or town] of _____, dated the _____ day of _____ in the year of our Lord one thousand nine hundred and _____, and recorded with Deeds, Volume _____ Page _____ in and to the following parcel of real estate in said _____, viz.: [Here describe the estate.]

To have and to hold the above released premises, with all the privileges and appurtenances to the same belonging, to the said _____, h _____ heirs and assigns, to h _____ and their use and behoof forever.

In witness whereof, the said _____ of _____ has caused its corporate seal to be hereunto affixed, and these presents to be signed, acknowledged and delivered in its name and behalf by _____, its _____, hereto duly authorized, this _____ day of _____, in the year of our Lord nineteen hundred and _____.

[City or Town] of _____ [SEAL.]
Signed and sealed in presence of _____

By _____

ss. _____ 19 _____

Then personally appeared the above named _____, of _____ for the [city or town] of _____, and acknowledged the foregoing instrument to be the free act and deed of said [city or town] of _____.

Before me,

Justice of the Peace.

NO. 21. — FORM OF AFFIDAVIT OF A DISINTERESTED PERSON OF SEARCH FOR PURCHASER, HIS AGENT OR ATTORNEY WHEN THEY CANNOT BE FOUND, UNDER SECTION 60.

I, _____, on oath depose and say that in behalf of _____, who claims a right to redeem certain lands situated in the _____ of _____, which were sold by _____, Collector of Taxes for said _____, for non-payment of taxes assessed upon _____ and described in a deed of said Collector to _____, dated 19 _____, and recorded with Deeds, Volume _____ Page _____ I have made diligent search for said purchaser in the place of which he is described as a resident, and that I have also made diligent search for an agent or attorney of such purchaser, but after such diligent search have been unable to find either the purchaser or any such agent or attorney.

ss.

, 19 .

Then personally appeared the above named and made oath that the foregoing statement by him subscribed is true.

Before me,

Justice of the Peace.

NO. 22. — FORM OF RECEIPT BY COLLECTOR TO A MORTGAGEE,
UNDER SECTION 62.

COLLECTOR'S OFFICE, , 19 .

I, , Collector of Taxes for the of , hereby certify that the Assessors of Taxes of said of , in the list of assessments for taxes, which they committed to me to collect for the year one thousand nine hundred and , duly assessed the sum of dollars and cents, as owner of the real estate situated and described as follows, viz.: [Here describe the real estate.]

and I further certify that the said neglected to pay such tax for three months after demand, and I thereupon made a demand therefor upon who claimed to be the holder of a mortgage upon said real estate; and that the said has paid to me the sum of dollars and cents, being the amount of said tax, with all interest, costs and charges, the receipt of which I hereby acknowledge.

C D,

Collector of Taxes for the of .

ss.

, 19 .

Then personally appeared the above named and made oath that the foregoing statement by him subscribed is true.

Before me,

Justice of the Peace.

NO. 23. — FORM OF RECEIPT BY COLLECTOR UNDER SECTIONS 63
AND 65.

COLLECTOR'S OFFICE, , 19 .

I, , Collector of Taxes for the of , hereby certify that the Assessors of Taxes of said of , in the list of assessments for taxes, which they committed to me to collect for the year one thousand nine hundred and , duly assessed the sum of dollars and cents, as owner of the real estate situated and described as follows, viz.: [Here describe the real estate.]

and I further certify that proceedings have been commenced by me for the sale of said real estate for said tax, and that who claimed to be the holder of a mortgage thereon, has paid to me the sum of dollars and cents, being the amount of said tax, with interest, costs and charges, the receipt of which I hereby acknowledge.

C D,

Collector of Taxes for the of .

ss.

, 19 .

Then personally appeared the above named and made oath that the foregoing statement by him subscribed is true.

Before me,

Justice of the Peace.

NO. 24.—FORM OF NOTICE OF SALE OF UNREDEEMED REAL ESTATE, IN BEHALF OF A CITY OR TOWN, WITHIN TWO YEARS AFTER EXPIRATION OF THE RIGHT OF REDEMPTION, UNDER SECTION 67.

SALE OF UNREDEEMED REAL ESTATE BY THE OF
COLLECTOR'S OFFICE, , 19 .

In conformity with the laws of the Commonwealth of Massachusetts, the public and all persons interested as former owners or occupants of each of the following described parcels of real estate situated in the of in the County of and Commonwealth aforesaid, are hereby notified that said parcels have been conveyed according to law to said [city or town] of for non-payment of taxes and assessments and the time within which each of the estates might be redeemed by the owners thereof having expired, each of said parcels will be offered for sale in accordance with Section , of the by public auction at the in said on the day of A.D. 19 , at o'clock M., and to the highest bidder for each of the several parcels a quitclaim deed will be delivered. For further particulars reference is made to the Registry of Deeds for the County of , the volume and page numbers following the description of each parcel, indicating the record of the deed under which the said . of now holds title to the estate described.

The sums set against the several estates show the amounts due thereon respectively for the taxes and assessments for the non-payment of which said estate was sold to [or taken by] the said together with the subsequent taxes and assessments, interest on the same, and all lawful costs and charges. And none of the said estates will be sold for less than the amount set against the said estates, respectively.

[Here set out the name of the original owner or occupant if known, a description of each parcel, the place of registry, volume and page, the years in which assessed and the least amount for which the sale will be made.] C D,

Collector of Taxes for the of .

NO. 25.—FORM OF DEED OF UNREDEEMED TAX TITLE UNDER SECTION 67.

KNOW ALL MEN BY THESE PRESENTS.

That, whereas the real estate hereinafter described was by deed of , Collector of Taxes, dated A.D. 19 , and recorded with Deeds, Volume Page ,

duly conveyed to the [city or town] of _____, in the County of _____ and Commonwealth of Massachusetts, for the non-payment of taxes, and whereas no person lawfully entitled has, within the time prescribed by law, redeemed said real estate, and whereas I, the Collector of Taxes of the said [city or town] of _____, acting under section _____, of the _____, duly advertised said real estate to be sold by public auction on the day of _____, 19____, at _____ o'clock in the noon, at the _____ in said [city or town] of _____ by publishing an advertisement thereof, containing a substantially accurate description of said real estate in the _____, a newspaper published in _____, three weeks successively, the last publication whereof was at least one week before the time appointed for the sale, and by posting a like advertisement in public and convenient place in said [city or town] of _____, to wit: the _____, in said [city or town] and also on said real estate, three weeks before the time appointed for said sale; and whereas, the amounts due on said estate not being paid, the [city or town] of _____ by _____ its Collector of Taxes, thereto duly authorized by statute, proceeded at the time and place appointed as aforesaid for the sale, to sell said real estate by public auction, and said real estate was then and there struck off to _____, of _____, in the County of _____, and State of _____, for the sum of _____ dollars and _____ cents, he being the highest bidder therefor;

Now, therefore, the [city or town] of _____ by its Collector of Taxes, by virtue of the statutes in such case made and provided, in consideration of _____ dollars and _____ cents paid by said _____, the receipt whereof is hereby acknowledged, does hereby remise, release, and forever quitclaim unto the said _____, h _____ heirs and assigns, all the right, title and interest which the said [city or town] of _____ acquired, by or under the deed above mentioned, in and to the following parcel of real estate in said _____, viz.: [Here describe the estate.]

To have and to hold the above released premises, with all the privileges and appurtenances thereto belonging, to the said _____, h _____ heirs and assigns, to h _____ and their use and behoof forever.

In witness whereof, the said [city or town] of _____ has caused its seal to be hereto affixed and these presents to be signed, acknowledged and delivered in its name and behalf by its Collector of Taxes, hereto duly authorized by law, this _____ day of _____, in the year nineteen hundred and _____.

[City or Town] of _____

[SEAL.]

C. D,
Collector of Taxes.

[To be acknowledged by the Collector as the free act and deed of the City or Town according to the form prescribed in Form No. 20.]

NO. 26. — FORM OF AFFIDAVIT OF THE COLLECTOR OF THE NON-APPEARANCE OF A PURCHASER, OR THE FAILURE OF THE BIDDER TO PAY THE SUM BID, UNDER SECTION 68.

I, C D, Collector of Taxes for the [city or town] of in the County of and Commonwealth of Massachusetts on oath depose and say that the advertisement of the sale of unredeemed real estate, a copy of which is hereto annexed, was published and posted according to law, and that at the time and place of sale as stated in the same [no person appeared and bid for the real estate advertised in said advertisement against the name of the sum or amount therein stated, or more, or the person to whom the estate is sold does not, within ten days, pay to the Collector the sum bid by him] and the estate advertised as aforesaid against the name of was struck off to , for the sum of dollars and cents, he being the highest bidder therefor. I further depose and say that said failed to pay to me as such Collector, within ten days, the sum offered by him for said estate.

C D,
Collector of Taxes for the of .

ss.

19 .

Then personally appeared the above named , Collector of Taxes for the of , and made oath that the above statement by him subscribed is true.

Before me,

Justice of the Peace.

[Here annex a copy of the advertisement.]

NO. 27. — FORMS OF NOTICES WHEN TAX TITLE IS DEEMED INVALID, UNDER SECTIONS 70 AND 72.

[FROM THE ASSESSORS TO THE COLLECTOR.]

OFFICE OF THE BOARD OF ASSESSORS, 19 .

To the Collector of Taxes for the of .

Sir: You are hereby notified that the tax assessed as of the first day of May, 19 , in the name of upon an estate estimated to contain [here insert the area] land, situated [here insert the name of street or other description] was invalid by reason of error in assessment; and that any deed given by you in consequence of a sale for the non-payment of such tax conveyed no valid title to the purchaser.

Board of Assessors of the of , by

A B,
One of said Assessors.

No. 28. —

[FROM THE COLLECTOR TO THE HOLDER OF THE TITLE.]

COLLECTOR'S OFFICE, 19 .

To.....

You are hereby notified that I have reason to believe that the title conveyed to by Collector and recorded with Deeds, volume page of an estate described as follows [here describe estate], in the name of is invalid by reason of an error [in the assessment for the year 19 , or in the proceedings for the sale.] [Here give a brief statement of the defect:]

and I do hereby, , notify and require you, within thirty days from the time when this notice shall be served upon you, to surrender and discharge the deed so given, and to receive from the of the sum due therefor, with interest as provided by law, or to file with the Collector a written statement that you refuse to make such surrender and discharge.

C D,

Collector of Taxes for the of .

PART III.

TAXATION OF CORPORATIONS.

TAX COMMISSIONER.

Tax commis-
sioner, ap-
pointment,
etc., salary.
1865, 283, § 12.
1870, 224, § 61.
1876, 155.
1879, 288, § 1.
P. S. 13, § 1.
1887, 342, § 1.
1890, 160, § 1.
R. L. 14, § 1.
1907, 564, § 1.

SECTION 1. There shall be a tax commissioner appointed by the governor, with the advice and consent of the council, who shall also be the commissioner of corporations, and who shall hold his office for three years from the date of his commission unless sooner removed by the governor. He shall receive in full compensation for the duties of both offices an annual salary of five thousand dollars.

Deputy, assist-
ants, clerks
and their
salaries.
1876, 155.
1879, 288, § 2.
1881, 175.
P. S. 11, § 97;
13, § 2.
1887, 342, § 2.
1891, 342.
1898, 507, § 3.
1901, 449.
R. L. 14, § 2.
1904, 99.
1906, 322.
1907, 564, § 2.

SECTION 2. The commissioner may with the advice and consent of the governor and council appoint, and with their consent remove, a deputy commissioner to assist him in his duties who shall receive an annual salary of three thousand dollars. In case of a vacancy in the office of commissioner or during the absence or disability of that officer, the deputy commissioner shall perform the duties of the office, and service of process made on him shall be of the same force and effect as if made on the commissioner. The commissioner may also with the advice and consent of the governor and council appoint, and with their consent remove, three assistants at salaries to be approved by the governor and council. The commissioner may also appoint two permanent clerks, the first at a salary of two thousand dollars a year and the second at a salary of fifteen hundred dollars a year, and may procure such additional clerical and other assistance as may be necessary. He may also appoint from time to time such appraisers as may be necessary to appraise property subject to the inheritance tax, who shall receive such compensation for their services as he may fix.

Annual report.
1873, 321, § 2.
1874, 227, § 3.
1881, 284, § 4.
P. S. 13, § 6.
1882, 217, § 3.
1894, 484.
R. L. 14, § 3.

SECTION 3. He shall annually in January report to the general court the transactions of his office for the preceding year. This report shall include tabular statements of the amounts of exempted property returned under the provisions of section ninety-five of Part I. and of ships engaged in the foreign carrying trade. He shall also sub-

mit therewith an abstract of such particulars from the lists of property held for literary, benevolent, charitable or scientific purposes as he shall deem for the public interest.

SECTION 4. He shall annually, on or before the first day of May, forward to the assessors of every city and town a list of all corporations organized under the laws of this commonwealth, known to him to be liable on said first day of May to taxation on their corporate franchises or property, and as soon as may be thereafter copies of the list furnished by such corporation under the provisions of section six, and with such other information as in his judgment will assist them in the assessment of taxes.

Tax commissioner to forward lists of taxable corporations. 1867, 188, § 2. 1870, 144, § 1. P. S. 13, §§ 3, 4. R. L. 14, § 4. 1906, 271, § 1.

SECTION 5. He or his deputy may visit any city or town, inspect the work of its assessors and give to them such information and require of them such action as will tend to produce uniformity in valuation and assessments throughout the commonwealth. He or his deputy may cause an assessor who violates any of the laws relative to the assessment of taxes for which a penalty is imposed to be prosecuted, either in the county in which said officer resides or in an adjoining county. He or his deputy may appear before the superior court or any board of county commissioners sitting for the abatement of taxes. He and his deputy shall be allowed their reasonable travelling expenses incurred under the provisions of this section.

Supervision of assessors. 1898, 507, § 3. R. L. 14, § 5.

SECTION 6. Every corporation organized under the laws of this commonwealth, which on the first day of May in any year holds, as collateral security, bonds of any description or shares of stock in corporations not liable to taxation on their corporate franchises or stock under the provisions of this act, shall annually, between the first and tenth days of May, return to the tax commissioner the whole number of such shares and bonds so held, the names and residences of the persons pledging the same, and the descriptive number, denomination, and the par and market value, if known, of the shares and bonds pledged by each.

Corporations to make return of stock or bonds held as collateral. 1870, 144, § 1. P. S. 13, § 4. R. L. 14, § 6.

SECTION 7. A corporation neglecting or refusing to make the returns required by the preceding section, or wilfully making a return which is materially false or defective, shall forfeit for each offence not less than fifty nor more than one thousand dollars, to the use of the city or town in which the person pledging such stock or bonds resides.

Penalty for neglect to make return. 1870, 144, § 2. P. S. 13, § 5. R. L. 14, § 7.

Guardians,
executors, ad-
ministrators,
trustees and
partnerships to
make returns
of stock held.
1864, 208, § 4.
1865, 283, §§ 2,
14.
1873, 315, § 15.
P. S. 13, § 7.
R. L. 14, § 8.

SECTION 8. A guardian who holds, or whose ward holds, shares of stock in any corporation, including banks located in the commonwealth liable to taxation, and an executor, administrator, trustee or other person who holds in trust any such stock, shall annually, between the first and tenth days of May, return under oath to said commissioner the names and residences, on the first day of that month, of themselves and of all such wards or other persons to whom any portion of the income from such stock is payable, the number of shares of stock so held and the name and location of the corporation.

A partnership shall annually, between the first and tenth days of May, make a like return, stating the amount of such stock owned by the firm, the names and residences of all the partners and the proportional interest or ownership of each partner in said stock.

SALARIES AND EXPENSES.

Of railroad,
gas and electric
light commis-
sioners.¹ 1864-1894
1864, 152, § 7.
1869, 408, § 9.
1874, 372, § 18.
1878, 167, § 1.
P. S. 112, § 12.
1885, 314, § 6.
1887, 334, § 4;
382, § 4.
1890, 200, § 3.
1891, 351.
1894, 535, § 8.
1895, 313;
463, § 1.
1897, 376, § 4.
1899, 365.
R. L. 111, § 10;
121, § 4.
1904, 429;
435, § 1.
1906, 463,
Part I., § 3.

SECTION 9. All sums of money annually appropriated by the general court for the salaries and expenses of the board of railroad commissioners and of the board of gas and electric light commissioners, their clerks and employees, shall be apportioned by the tax commissioner among the several railroad corporations and street railway companies and among the several gas and electric light companies, respectively; and on or before the first day of July in each year he shall assess upon each of said corporations and companies its share of said sums, in the case of railroad corporations and street railway companies in proportion to its gross earnings from the transportation of persons and property for the year last preceding the year in which the assessment is made, and in the case of gas and electric light companies in proportion to its gross earnings for the year last preceding the year in which the assessment is made; and such assessments shall be collected in the same manner as taxes upon corporations.

TAXATION OF VESSELS ENGAGED IN THE FOREIGN CARRYING TRADE.

Excise tax,
returns.
R. L. 12, §§ 7-9.
1902, 374.
§§ 1, 2; 375.

SECTION 10. The tax commissioner shall assess annually as of the first day of May an excise tax upon the interest of every corporation organized under the laws of

this commonwealth and having a place of business therein, in any ship or vessel which has, during the period of its business in the year preceding said first day of May, been engaged in the foreign carrying trade, which tax shall be one third of one per cent upon the value of such interest as it shall be determined by him. Such tax shall become due and shall be collected at the same time and in the same manner as other taxes assessed to such corporations. The president and treasurer of every such corporation owning an interest in any such ship or vessel shall annually, within thirty days after the first day of May, make a return to the tax commissioner, under oath, setting forth in detail the name of the ship or vessel, the interest of the corporation therein, and the value of such interest. If the tax commissioner is satisfied of the truth of the return he shall deduct said value from the fair cash value of the shares of the corporation as estimated by him for the purpose of determining the true value of its corporate franchise under the provisions of this part.

TAXATION OF BANK SHARES.

SECTION 11. All the shares of stock in banks, whether of issue or not, existing by authority of the United States or of the commonwealth, and located within the commonwealth, shall be assessed to the owner thereof in the city or town in which such bank is located, and not elsewhere, in the assessment of state, county and town taxes, whether such owner is a resident of said city or town or not. They shall be assessed at their fair cash value on the first day of May, first deducting therefrom the proportionate part of the value of the real estate belonging to the bank, at the same rate as other moneyed capital in the hands of citizens is by law assessed. The persons who appear from the books of the banks to be owners of shares at the close of the business day last preceding the first day of May shall be deemed to be the owners thereof.

SECTION 12. Every such bank shall pay the tax so assessed to the collector or other person authorized to receive the same at the time when other taxes in the city or town become due. If not so paid, said tax, with interest thereon at the rate of twelve per cent per annum from the day when it became due, may be recovered from said bank in an action of contract by the collector of such city or town.

Taxation of
bank shares.
1868, 349, § 1.
1871, 390, § 1.
1872, 321,
§§ 4, 5.
1873, 315, § 1.
P. S. 13, § 8.
R. L. 14, § 9.
14 Allen, 359.
99 Mass. 141.
101 Mass. 575.
104 Mass. 586.
112 Mass. 384.
123 Mass. 375.
135 Mass. 569.
138 Mass. 527.
155 Mass. 313.
175 Mass. 262.
3 Wallace, 585.
7 Wallace, 694.
125 U. S. 60.

Payment of
tax. Recovery
thereof.
1873, 315, § 2.
P. S. 13, § 9.
R. L. 14, § 10.
138 Mass. 529.
145 Mass. 110.
125 U. S. 60.

Lien on shares
for payment
of taxes.

1868, 349, § 2.
1871, 390, § 2.
1872, 321, § 9.
1873, 315, § 3.
P. S. 13, § 10.
R. L. 14, § 11.
138 Mass. 529.
125 U. S. 60.

Statement to
assessors of
names, etc., of
shareholders.
1871, 390, § 5.
1872, 321, §§ 1,
2, 10.
1873, 315, § 5.
P. S. 13, § 11.
R. L. 14, § 12.
138 Mass. 529.
155 Mass. 313.

Determination
of amount of
offsets and
credits; notice;
appeal.

1871, 390,
§§ 6-8.
1873, 315,
§§ 6-8.
P. S. 13,
§§ 12-14.
R. L. 14, § 13.
135 Mass. 569.
138 Mass. 529.

Certification
of aggregate
charges and
credits.

1871, 390, § 9.

SECTION 13. The shares of such banks shall be subject to the tax paid thereon by the corporation or by the officers thereof, and the corporation and the officers thereof shall have a lien on all the shares in such bank and on all the rights and property of the shareholders in the corporate property for the payment of said taxes.

SECTION 14. The cashier of every such bank shall make and deliver to the assessors of the city or town in which it is located, on or before the tenth day of May in each year, a statement under oath showing the name of each shareholder, with his residence and the number of shares belonging to him at the close of the business day last preceding the first day of May, as the same then appeared on the books of said bank. If the cashier fails to make such statement, said assessors shall forthwith obtain a list of the names and residences of shareholders and of the number of shares belonging to each. They shall, forthwith, upon obtaining such statement or list, transmit a copy thereof to the tax commissioner; and shall, immediately upon the ascertainment of the rate per cent upon the valuation of the total tax in such city or town for the year, give to said commissioner written notice thereof, and also of the amount assessed by them upon the shares of each bank located therein.

SECTION 15. Said commissioner shall thereupon determine the amount of the tax assessed upon shares in each of said banks which would not be liable to taxation in said city or town according to the provisions of Part I.; and such amount shall be a charge against said city or town. He shall, in like manner, determine the amount of tax so assessed upon shares which would be so liable to taxation in each city or town other than that in which the bank is located; and such amount shall be a credit to such city or town. He shall forthwith give notice in writing by mail or at their office to the assessors of each city or town thereby affected of the aggregate amount so charged against and credited to it; and they may within ten days after notice of such determination appeal therefrom to the board of appeal constituted under the provisions of section sixty-eight.

SECTION 16. He shall, at the expiration of ten days after said notice or upon being informed of the decision of the board of appeal, if an appeal is taken, certify to the

treasurer and receiver general the aggregate amount of charges against, and credits to, each city or town, as so determined; and the treasurer and receiver general shall thereupon withhold out of any sums payable by the commonwealth to any city or town against which a charge is certified, or shall allow or pay over to each city or town to which a credit is certified, as the case may be, the amount so certified.

SECTION 17. In such adjustment of charges and credits, one per cent upon the amount assessed and collected shall be allowed for the expense of assessment and collection. No city or town shall in any year be entitled to an allowance of credits or payments under the provisions of this part until the assessors have complied with the requirements thereof and with section thirty-six of Part I., relative to the taxation of bank shares. No bank, the shares in which are liable to taxation by section eleven, shall be liable thereto under the provisions of section forty-three, nor shall the shareholders be liable to taxation for their shares therein for any purpose, except under the provisions of this part.

SECTION 18. The amount actually paid into the treasury of the commonwealth annually, under the provisions of this part, on account of shares in banks, which on the first day of May are the absolute property of any savings bank or institution for savings liable to taxation under the provisions of section twenty-one, or of any insurance company liable to taxation under the provisions of section forty-three, shall be deducted from the taxes of such savings bank or insurance company at the next payment by them to the commonwealth after the collection of the taxes on such bank shares. The tax commissioner may require a statement of all shares so owned by any savings bank, institution for savings or insurance company, in a form approved by him and signed and sworn to by the treasurer or like financial officer thereof. He shall, from such statement and other evidence and subject to appeal by such corporation, as herein provided in similar cases, determine the amounts to be deducted, and certify the same to the treasurer and receiver general upon the final determination thereof; but the amount so to be deducted from the tax payable by any savings bank or institution for savings shall not, in any year, exceed the amount of

1873, 315, § 9.
P. S. 13, § 15.
R. L. 14, § 14.
138 Mass. 529.

Allowance for
expense of
assessment and
collection.
1873, 315,
§§ 10, 11.
P. S. 13, § 16.
R. L. 14, § 15.
135 Mass. 569.
138 Mass. 530.

Deduction of
bank taxes
paid by sav-
ings banks and
insurance com-
panies.
1873, 315, § 12.
1881, 305, § 2.
P. S. 13, § 17.
R. L. 14, § 16.

the tax assessed on account of that portion of its deposits invested in shares in banks.

Certification of
bank taxes
assessed and
collected.
1873, 315, § 13.
P. S. 13, § 18.
R. L. 14, § 17.
1906, 271, § 2.
135 Mass. 569.

SECTION 19. The tax commissioner shall annually, as soon as may be after the first Monday in November, certify to the treasurer and receiver general the amounts assessed and collected for that year in respect of shares in such banks or other corporations owned absolutely by any society, district or institution of the classes specified in clauses three and four of section five of Part I., and the treasurer and receiver general shall thereupon pay over such amounts to such society, district or institution owning such shares.

Reimburse-
ment of ex-
empted share-
holder.
1872, 321, § 12.
1873, 315, § 14.
P. S. 13, § 19.
R. L. 14, § 18.

SECTION 20. The assessors of a city or town, upon request of any person resident therein who is the owner of any shares in such banks or other corporations which, under the provisions of clauses nine and ten of section five of Part I., would be entitled to exemption from taxation, shall give to him a certificate stating such fact; and the treasurer of such city or town, upon request therefor, and the deposit with him of such certificate, shall pay over to such owner the amount so collected in respect of such shares, immediately upon the allowance made to such city or town under the provisions of this part.

TAXATION OF SAVINGS BANKS.

Taxation of
deposits in
savings banks.
1862, 224,
§§ 4, 5.
1863, 164.
1865, 267.
1868, 315.
1879, 115.
1881, 304, §§ 8,
9; 305, § 1.
P. S. 13, § 20.
1890, 160, § 4.
R. L. 14, § 19.
1906, 271, § 3.
1907, 246.
5 Allen, 428.
12 Allen, 312.
123 Mass. 493.
126 Mass. 526.
149 Mass. 4.
151 Mass. 103.
6 Wallace, 611.
178 U. S. 120.

SECTION 21. Every savings bank and institution for savings shall pay to the treasurer and receiver general, on account of its depositors, an annual tax of one-half of one per cent on the amount of its deposits, one-half thereof to be assessed by the tax commissioner upon the average amount of such deposits for the six months preceding the first day of May and one-half to be so assessed upon the average amount of such deposits for the six months preceding the first day of November. Such tax shall be paid semi-annually on or before the twenty-fifth day of May and of November, each payment to consist of the amount of the tax as determined by the last preceding assessment; but so much of said deposits as is invested in real estate for banking purposes or in loans secured by mortgages of taxable real estate, and, for the period limited in clause nine of section twenty-six of chapter one hundred and thirteen of the Revised Laws, so much of said deposits as

is invested in real estate the title to which has been acquired by the completion of foreclosure, or by purchase, pursuant to said section, and so much of said deposits as is invested in bonds of the commonwealth of Massachusetts issued after July first, nineteen hundred and six, shall be exempt from taxation under the provisions of this section.

SECTION 22. Every savings bank and institution for savings shall semi-annually, on or before the tenth day of May and of November, make a return to the tax commissioner, signed and sworn to by its president and treasurer, of the amount of its deposits on the first day of said May and November, and of the average amount of its deposits for the six months preceding each of said days. Every such corporation which neglects to make such return shall forfeit fifty dollars for each day during which such neglect continues. If it wilfully makes a false statement in such return it shall be punished by a fine of not less than five hundred nor more than five thousand dollars.

SECTION 23. All deposits taxed under the provisions of section twenty-one shall be otherwise exempt from taxation in any year in which said tax is paid.

1864, 208, § 15.
P. S. 13, § 23.

R. L. 14, § 21
5 Allen, 435.

100 Mass. 184.
123 Mass. 496.

151 Mass. 103.

SECTION 24. The Massachusetts Hospital Life Insurance Company shall annually, on or before the tenth day of May and November, make a return, signed and sworn to by a majority of its board of directors, of the full amount of all money and property, in detail, in its possession or charge as deposits, trust funds or for purposes of investment, and shall pay upon all the same, except upon deposits invested in loans secured by mortgages of taxable real estate, the same rate of tax imposed upon savings banks on account of deposits. If said corporation neglects to make such return, it shall forfeit fifty dollars for each day such neglect continues; and if it wilfully makes a false statement in any such return, it shall be punished by a fine of not less than five hundred nor more than five thousand dollars.

Semi-annual
returns. Con-
tents.
1862, 224,
§§ 8, 9.
P. S. 13, § 21.
1890, 160, § 4.
R. L. 14, § 20.
1906, 271, § 4.
123 Mass. 497.

Deposits taxed
by common-
wealth other-
wise exempt.
1862, 224, § 12.

Taxation of
the Massachu-
setts Hospital
Life Insurance
Company.
1862, 224, §§ 3,
7, 9.
1865, 283, § 18.
1881, 304, § 8.
P. S. 13, § 51.
R. L. 14, § 22.
1906, 271, § 5.
151 Mass. 103.

TAXATION OF CO-OPERATIVE BANKS.

SECTION 25. The capital stock, corporate franchises and personal property, but not the real estate, of co-operative banks shall be exempt from taxation.

—of co-opera-
tive banks.
1890, 63.
R. L. 14, § 23.

TAXATION OF INSURANCE COMPANIES.

Taxation of
life insurance
companies.

1880, 227,
§§ 1, 2.
1881, 219.
P. S. 13, §§ 25,
26.
1887, 283, § 1.
R. L. 14, § 24.
1903, 307.
133 Mass. 161.

SECTION 26. A domestic or foreign company or association, which is engaged, by its officers or by agents as defined in chapter five hundred and seventy-six of the acts of the year nineteen hundred and seven, in the business of life insurance within this commonwealth shall annually, on or before the tenth day of May, make a return to the tax commissioner, signed and sworn to by its president and secretary, giving the number, date and class of the policies so held, the age of the assured life and the aggregate net value of each group requiring a separate computation to determine their net value and the combined aggregate, and shall annually pay an excise tax of one quarter of one per cent upon the net value of all policies in force on the preceding thirty-first day of December, issued or assumed by such company and held by residents of the commonwealth, as determined by the tax commissioner upon such return and such other evidence as he may obtain. After the first return has been made under this section each subsequent return shall contain all the foregoing particulars relating to new policies issued or assumed by the company since the last return, and the numbers and new values of all policies required to be included in the year for which the return is made, and such other particulars as the tax commissioner shall require.

What persons
and corporations
are to be
deemed resi-
dents.

1880, 227, § 3.
P. S. 13, § 27.
R. L. 14, § 25.

SECTION 27. For the purpose of the preceding section all persons or corporations shall be deemed residents of the commonwealth who, under the provisions of Part I., are made liable to taxation on account of personal property owned or held by or for them in trust, pledge, or otherwise, other than that mentioned in clause one, two and three of section twenty-three of Part I.

Taxation of
domestic fire,
marine and
other insur-
ance com-
panies.

1862, 224,
§§ 1, 6.
1872, 245.
1873, 141, § 1.
P. S. 13, § 29.
1884, 180, § 5.
1894, 522, § 64.
R. L. 14, § 26.

SECTION 28. A domestic fire, marine, fire and marine, real estate title and other insurance company, except life insurance companies and except companies liable to taxation on their corporate franchise under the provisions of this part, shall annually pay a tax or excise of one per cent on all premiums received for insurance during the preceding year whether in cash or in notes absolutely payable, and one per cent on all assessments made by such company upon policy-holders; but premiums received in other states where they are subject to a like tax shall not be so assessed.

SECTION 29. A fire, marine, fire and marine and other insurance company, association or partnership, including associations formed upon the plan known as Lloyds, incorporated or associated by authority of any other state of the United States, shall annually pay a tax or excise upon all premiums charged or received on contracts made in this commonwealth for the insurance of property or interests therein, or received or collected by agents in this commonwealth, at the rate of two per cent, and at such greater rate, if any, as shall be equal to the highest rate imposed during the year by the laws of such other state upon insurance companies incorporated by authority of this commonwealth, or upon their agents, when doing business in such state.

SECTION 30. A life insurance company, association or partnership, incorporated or associated by authority of any other state of the United States, by the laws of which a tax is imposed upon the premium receipts of life insurance companies chartered by this commonwealth and doing business in such state, or upon their agents, shall annually, so long as such laws continue in force, pay a tax or excise upon all premiums charged or received upon contracts made in this commonwealth, at a rate equal to the highest rate so imposed during the year.

SECTION 31. Every fire, marine, fire and marine, and other insurance company, association or partnership, including associations formed upon the plan known as Lloyds, incorporated or associated under the laws of any government or state other than one of the United States, shall annually pay a tax of four per cent upon all premiums charged on contracts made in this commonwealth for insurance, or collected by agents in this commonwealth: *provided*, that when the tax commissioner is satisfied that any such company has, during the whole term for which the tax is to be assessed, kept on deposit with the insurance or other department of any state of the United States, or in the hands of trustees, resident in and citizens of such states, for the general benefit and security of all policy-holders residing in the United States, securities approved by the insurance commissioner of the value of two hundred thousand dollars, which have been at all times available for the payment of losses in this commonwealth, the tax upon the premiums of such company shall be assessed at the rate of two per cent. The

Taxation of like companies incorporated in other states.
1862, 224, § 2.
1873, 141, § 2.
1878, 218, § 3.
P. S. 13, § 30.
R. L. 14, § 27.
100 Mass. 531.

—of life insurance companies incorporated in states imposing taxes on life companies of this state doing business therein.
1873, 141, § 3.
P. S. 13, § 31.
R. L. 14, § 28.

—of fire, marine and other companies incorporated by foreign governments.
1872, 228;
325, § 8.
1873, 141, § 4.
1878, 218, § 3.
P. S. 13, § 32.
R. L. 14, § 29.
100 Mass. 531.

certificate of the insurance commissioner may be received by the tax commissioner as sufficient evidence that such securities have been so deposited.

Taxation
of foreign
accident, fidel-
ity and guar-
anty insurance
companies.
1890, 197, § 1.
R. L. 14, § 30.

SECTION 32. Every foreign insurance company subject to the provisions of chapter five hundred and seventy-six of the acts of the year nineteen hundred and seven, engaged in the business of insuring against accident to the person, of insuring employers against liability for accidents to employees, of acting as surety upon bonds or of guaranteeing the fidelity of employees shall pay an annual tax or excise of two per cent upon all premiums charged or received on contracts of insurance or guaranty made in this commonwealth, or received or collected by agents therein.

Deductions.
1868, 165, § 1.
1873, 141, § 5.
P. S. 13, § 33.
1888, 154.
1890, 197, § 2.
1892, 129.
1894, 522, § 84.
1898, 537, § 2.
R. L. 14, § 31.

SECTION 33. In determining the amount of the tax payable under the five preceding sections, all unused balances on notes taken for premiums on open policies, all sums paid for return premiums on cancelled policies, and all sums actually paid either to other domestic insurance companies or to the agents of foreign companies for re-insurance on risks, the premium on which, but for such re-insurance, would be liable to taxation, shall, in each case, be deducted from the full amount of premiums and assessments; but no deduction shall be allowed of sums paid for re-insurance effected otherwise than by licensed resident agents nor shall dividends in scrip or otherwise in stock, mutual or mixed companies be considered as return premiums.

Returns of in-
surance com-
panies.
1873, 141, § 7.
1878, 218, § 3.
P. S. 13, § 34.
1887, 283, § 2.
1890, 197, § 2.
1892, 129.
R. L. 14, § 32.
1906, 271, § 6.

SECTION 34. Every company liable to taxation under the provisions of sections twenty-eight and thirty-two shall annually, between the first and fifteenth days of October, make a return to the tax commissioner, signed and sworn to by its secretary or other officer having knowledge of the facts, stating the amount insured by said company, and the premiums received and assessments collected by it during the year ending on the preceding thirtieth day of September. Every foreign company, association or partnership, including associations formed upon the plan known as Lloyds, authorized to do business in the commonwealth, shall annually, between the first and fifteenth days of October, make a return to the tax commissioner, in such form as he shall prescribe, signed and sworn to by its secretary, manager or other officer having knowledge

of the facts, of the amount insured by it upon property or interests in this commonwealth, and the premiums and assessments upon such insurance charged on contracts made by it or its agents in this commonwealth during the year ending on the preceding thirtieth day of September. Such returns shall state the whole amount of premiums charged by or in behalf of said company, association and partnership either in cash or in notes absolutely payable, the amount claimed as a deduction therefrom under any of the provisions of this part, and also the classes of deductions and the amount of each class.

SECTION 35. The tax commissioner, from such returns, and from such other evidence as he may obtain, shall assess upon such companies, associations and partnerships, including associations formed upon the plan known as Lloyds, and their agents, the taxes imposed by sections twenty-eight to thirty-one, inclusive, and shall forthwith upon making such assessment give notice in writing to such companies, associations and partnerships, or their agents in the commonwealth, stating the respective amounts payable by them. Such taxes shall be paid to the treasurer and receiver general on the twentieth day of November next following the date fixed for making the returns. The tax commissioner shall annually, on or before the twentieth day of November, deliver to the treasurer and receiver general a certificate stating the name of every such company, association, partnership and agent upon whom such tax has then been assessed, and the amount assessed upon each, and a like certificate of such further assessments as may be made after that date. All such taxes, whether assessed before or after the twentieth day of November, shall bear interest at the rate of twelve per cent per annum from that date until they are paid.

SECTION 36. Every domestic or foreign insurance company, association or partnership shall be liable for the full amount of all taxes so assessed upon it or its agents which, with interest at the rate of twelve per cent per annum, may be recovered in an action of contract brought by the treasurer and receiver general in the name of the commonwealth. It shall further be liable, upon an information, to an injunction restraining it and its agents from the further prosecution of its business until all taxes due with costs and interest are fully paid.

Assessment
and notice to
companies.
1873, 141, § 8.
1878, 218, § 3.
P. S. 13, § 35.
1890, 197, § 2.
1892, 129.
R. L. 14, § 33.
1906, 271, § 8.

Recovery of
tax and in-
junction.
1873, 141, § 10.
1878, 218, § 3.
P. S. 13, § 37.
1887, 283, § 3.
1890, 197, § 2.
1892, 129.
R. L. 14, § 34.

TAXATION OF TRUST COMPANIES.

Returns and
taxation of
trust com-
panies.
1888, 413,
§§ 21, 22.
R. L. 14, § 35.

SECTION 37. Every domestic trust company incorporated subsequent to the twenty-eighth day of May in the year eighteen hundred and eighty-eight and subject to the provisions of chapter one hundred and sixteen of the Revised Laws, shall annually, between the first and tenth days of May, make a return to the tax commissioner, signed and sworn to by some officer of the corporation, of all personal property held upon any trust on the first day of May which would be liable to taxation if held by any other trustee residing in this commonwealth, the name of each city and town in this commonwealth where any beneficiaries resided on said day, the aggregate amount of such property then held for all the beneficiaries resident in each of such places, and also the aggregate amount held for beneficiaries not resident in this commonwealth.

It shall also, at the same time and in like manner, make a return of all sums deposited with it on interest or for investment, other than those held in trust or subject to withdrawal upon demand or upon not more than ten days' notice, with the name of each city and town in this commonwealth in which any beneficial owners resided on said first day of May, and the aggregate amount of such deposits then held for the benefit of persons residing in each of such cities and towns. Such company shall annually pay to the treasurer and receiver general a tax to be assessed by the tax commissioner upon the total value of such personal property held in trust at the rate determined by him under the provisions of section forty-three, and to be so assessed upon the total value of such deposits so held on interest or for investment at three-fourths of such rate.

Taxation of
trust compa-
nies, etc.
P. S. 13, § 52.
1888, 413,
§§ 21, 23.
R. L. 14, § 36.

SECTION 38. All trust companies and other moneyed corporations incorporated in the commonwealth shall be subject to the provisions of this part so far as they are not inconsistent with the provisions of their special charters.

TAXATION OF CORPORATE FRANCHISES.

Definitions.

SECTION 39. The term "domestic business corporation" as used in this act shall mean every corporation of the classes enumerated in section one of chapter four

hundred and thirty-seven of the acts of the year nineteen hundred and three; the term "foreign corporation" shall mean every corporation, association or organization of the classes enumerated in section fifty-eight of said chapter.

SECTION 40. Every corporation organized under the general or special laws of the commonwealth for purposes of business or profit, having a capital stock divided into shares, except banks, whose shares are otherwise taxable under the provisions of this part, in addition to all returns required by its charter, and in addition to all returns otherwise required under the provisions of this part, shall annually, between the first and tenth days of May, make a return to the tax commissioner, under oath of its treasurer, stating the name of the corporation, its place of business, and setting forth as of the first day of May of the year in which the return is made: —

First, The total authorized amount of the capital stock of the corporation; the amount issued and outstanding and the amount then paid thereon; the classes, if any, into which it is divided; the par value and number of its shares; the market value of the shares of its stock, or of each class of its stock, if there are two or more classes.

Second, A statement in such detail as the tax commissioner may require of the works, structures, real estate, machinery, underground conduits, wires and pipes, owned by said corporation and subject to local taxation within the commonwealth, and of the location and value thereof; and, in the case of domestic business corporations, of the merchandise and other assets belonging to the corporation within and without the commonwealth.

Third, And, except as to street railway companies, a complete list of the shareholders of the corporation, their residences, and the amount and class of stock, if more than one, belonging to each. If stock is held as collateral security, the list shall state the name and residence of the pledgor and of the pledgee.

Railroad corporations and telegraph, street railway, and electric railroad companies, whether chartered or organized in this commonwealth or elsewhere, shall also state in their return the whole length of their lines and so much of the length of their lines as is without the commonwealth; electric railroad companies shall also return so much of

Annual returns
to tax commis-
sioner.

1864, 208,
§§ 2, 3.
1865, 283, § 3.
1880, 117, § 2.
P. S. 13, § 38.
1885, 238, § 1.
1886, 270.
1888, 413, § 24.
1898, 417;
578, § 2.
R. L. 14, § 37.
1902, 342, § 2.
1903, 437, § 48.
1906, 463.
Part II., § 211.
Part III., § 125;
516, § 14.
12 Allen, 75.
98 Mass. 25.
139 Mass. 561.
144 Mass. 598.
146 Mass. 408.
157 Mass. 70.
179 Mass. 15.
[1 Op. A. G.
278.]

their line as is constructed on private land; street railway and electric railroad companies shall also state in their return the length of track operated by them in each city or town on the thirtieth day of September preceding the return, to be determined by measuring as single track the total length of all tracks operated by them, including sidings and turnouts, whether owned or leased by them or over which they have trackage rights only, and the amount of dividends paid on their capital stock during the year ending on such preceding thirtieth day of September, and during each year from the organization of the company. Telephone companies organized under the general or special laws of this commonwealth, and manufacturing, owning, using, selling or licensing others to use telephones or other apparatus or appliances pertaining thereto wholly or partially within this commonwealth, and all such companies incorporated without the commonwealth for the purpose of establishing, owning or licensing others to use such telephones, apparatus or appliances, but having in use within it any of their lines or telephones, shall also state in their return, in such form as the tax commissioner may require, the facts necessary to ascertain the deductions authorized by the following section. Such domestic companies may annually, between the first and tenth days of May, make a return to the tax commissioner, signed and sworn to by their president, treasurer and clerk, specifying the amount and market value of all stocks in other corporations held by them upon which a tax has been assessed and actually paid either in this or in any other state for the year preceding the date of said return; and the books, accounts and papers of such corporations shall be examined by the tax commissioner so far as may be necessary for the verification of said return. Other corporations required to make a return under the provisions of this section shall also state therein the amount, value and location of all works, structures, real estate, machinery, underground conduits, wires and pipes owned by them and subject to local taxation without the commonwealth. Such return shall be filed by the tax commissioner, and shall, in the case of said domestic business corporations, be open only to the inspection of the tax commissioner, his clerks and assistants, and such other officers of the commonwealth as may have occasion to inspect it for the purpose of assessing or collecting taxes.

[The Acts of 1902, chapter 342, section 1, provide that underground conduits, wires and pipes, laid in public streets by any corporation, except street railway companies, shall be assessed to the owners thereof in the cities or towns in which they are laid. In the same chapter, sections 37, 38, 39 and 42 of chapter 14 of the Revised Laws are amended, directing all corporations, among other requirements, to return to the Tax Commissioner a statement of their underground conduits, wires and pipes subject to local taxation, and of the location and value thereof; and providing for the deduction of their value as found by the Tax Commissioner in determining the value of the corporate excess.]

These sections of the Revised Laws, without the amendments, were incorporated in the business corporation act (1903, chapter 437, sections 48, 72, 73 and 76), in the railroad and street railway codification (1906, chapter 463, Part II., sections 211, 212, 213 and 215, Part III., sections 125, 126, 127 and 129), and in the electric railroad act (1906, chapter 516, sections 14, 15, 16 and 19), which acts and codification repealed said chapter 14 of the Revised Laws so far as it had to do with the taxation of the several classes of corporations coming within their scope.

The law, then, as it now stands on the statute books, provides for the local taxation of such underground conduits, wires and pipes; but in the case of business corporations, railroad corporations and electric railroad companies provides for no deduction of the value thereof in assessing the corporate franchise tax. This results in the taxation of such underground conduits, wires and pipes both locally and by the State, — a condition the commission cannot believe to have been the legislative intent. It has therefore in the codification applied these amendatory provisions to business, railroad and electric railroad corporations the same as now attach to all other classes of corporations except street railway companies.]

SECTION 41. The tax commissioner shall ascertain from the returns or otherwise the true market value of the shares of each corporation subject to the requirements of the preceding section, and shall estimate therefrom the fair cash value of all of said shares constituting its capital stock on the preceding first day of May, which, unless by the charter of a corporation a different method of ascertaining such value is provided, shall, for the purposes of this part, be taken as the true value of its corporate franchise. From such value there shall be deducted:

First, In case of a railroad corporation, or telegraph, street railway or electric railroad company, whether chartered or organized in this commonwealth or elsewhere, so much of the value of its capital stock as is proportional to the length of that part of its line, if any, lying without the commonwealth; and also the value of its works, struc-

Valuation of
corporate fran-
chise, etc.
Deductions.
1864, 208,
§§ 5, 6,
1865, 283,
§§ 4, 5,
1880, 117, § 2.
P. S. 13, §§ 39,
40.
1885, 238, § 1.
1886, 270.
1898, 417.
R. L. 14, § 38.
1902, 342, § 3.
1903, 437, § 72.
1906, 463, Part
II., § 212,
Part III.,
§ 126; 516,
§ 15.
1907, 395.
13 Allen, 391.
98 Mass. 19, 25.
100 Mass. 184,
399.
125 Mass. 568.
137 Mass. 80.

139 Mass. 561.
 144 Mass. 598.
 146 Mass. 408.
 152 Mass. 372.
 157 Mass. 70.
 167 Mass. 522.
 178 Mass. 469.
 163 U. S. 1.

tures, real estate, machinery, underground conduits, wires and pipes, subject to local taxation within the commonwealth.

Second, In case of such a domestic telephone company, the amount and market value of all stock in other corporations held by it upon which a tax has been paid in this or other states for the twelve months last preceding the date of the return; and in case of such a foreign telephone company, so much of the value of its capital stock as is proportional to the number of telephones used or controlled by it or under any letters patent, owned or controlled by it without the commonwealth. In case of a telephone company, whether chartered or organized in this commonwealth or elsewhere, the value of its works, structures, real estate, machinery, underground conduits, wires and pipes, subject to local taxation within the commonwealth.

Third, In case of a domestic business corporation, the value of its works, structures, real estate, machinery, underground conduits, wires and pipes, within the commonwealth subject to local taxation, and of securities which if owned by a natural person resident in this commonwealth would not be liable to taxation; also the value of its property situated in another state or country and subject to taxation therein; but the tax commissioner in determining for the purposes of taxation the value of the corporate franchise of any such corporation shall not take into consideration any debts of such corporation unless the returns required from it contain a statement duly signed and sworn to, setting forth that no part of such debts was incurred for the purpose of reducing the amount of taxes to be paid by it.

Fourth, In case of corporations subject to the requirements of the preceding section, other than railroad corporations, telegraph, telephone, street railway and electric railroad companies, and of domestic business corporations, whether chartered or organized in this commonwealth or elsewhere, the value as found by the tax commissioner of their works, structures, real estate, machinery, underground conduits, wires and pipes, subject to local taxation wherever situated.

For the purposes of this section the tax commissioner may take the value at which such works, structures, real

estate, machinery, underground conduits, wires and pipes are assessed at the place where they are located as the true value, but such local assessment shall not be conclusive of the true value thereof.

[By the provisions of section 40 (Revised Laws, chapter 14, section 37; Acts of the year 1906, chapter 463, Part II., section 211, Part III., section 125; chapter 516, section 14), corporations are required, among other things, to make return of their works, structures, real estate and machinery. This requirement is clearly for the purpose of giving to the Tax Commissioner such information as will aid him in making the deductions provided for in this section. While it may be doubtful that anything can be included in the words "works, structures" that could not fairly be embraced within the meaning of real estate and machinery, the commission has thought it proper to employ the same phraseology in the deduction as in the return section; and therefore has added the words "works, structures," omitted in Revised Laws, chapter 14, section 38, in this and other sections where a corresponding omission occurs.]

SECTION 42. The tax commissioner may require a corporation to prosecute an appeal from the valuation of its works, structures, real estate, machinery, underground conduits, wires and pipes by the assessors of a city or town, either to the county commissioners or to the superior court, whose decision shall be conclusive upon the question of value. Upon such an appeal the tax commissioner may be heard, and in the superior court costs may be awarded as justice requires.

SECTION 43. Every corporation subject to the provisions of section forty shall annually pay a tax upon its corporate franchise, after making the deductions provided for in section forty-one, at a rate equal to the average of the annual rates for three years preceding that in which such assessment is laid, the annual rate to be determined by an apportionment of the whole amount of money to be raised by taxation upon property in the commonwealth during the same year, as returned by the assessors of the several cities and towns under the provisions of section ninety-three of Part I., after deducting therefrom the amount of tax assessed upon polls for the preceding year, as certified to the secretary of the commonwealth, upon the aggregate valuation of all cities and towns for the preceding year, as returned under sections fifty-nine and sixty of Part I.; but the said tax upon the value of the cor-

Corporation to appeal from local valuation, when.
1865, 283, § 6.
P. S. 13, § 41.
1890, 127, § 7.
1898, 417.
R. L. 14, § 39.
1902, 342, § 4.
1903, 437, § 73.
1906, 463, Part II., § 213, Part III., § 127;
516, § 16.

Tax to be paid on corporate franchise.
Rate, how determined.
1864, 208, § 5.
1865, 283, § 5.
1880, 117, § 2.
P. S. 13, § 40.
1885, 238, § 1.
1886, 270.
1888, 413, § 24.
1898, 417.
R. L. 14, § 40.
1903, 437, § 74.
1904, 261, § 1.
1906, 271, § 9,
12; 463, Part II., § 214, Part III., § 128;
516, § 17.
12 Allen, 75, 298.
98 Mass. 19, 25.
99 Mass. 146, 151.
105 Mass. 527.
135 Mass. 569.
137 Mass. 80.

139 Mass. 561.
 146 Mass. 408.
 157 Mass. 70.
 167 Mass. 522.
 179 Mass. 15.
 192 Mass. 129.
 6 Wallace, 632.
 178 U. S. 120.

porate franchise of a domestic business corporation, after making the deductions provided for in section forty-one, shall not exceed a tax levied at the rate aforesaid upon an amount, less said deductions, twenty per cent in excess of the value, as found by the tax commissioner, of the works, structures, real estate, machinery, underground conduits, wires and pipes, and merchandise, and of securities which if owned by a natural person resident in this commonwealth would be liable to taxation; and the total amount of tax to be paid by such corporation in any year upon its property locally taxed in this commonwealth and upon the value of its corporate franchise shall amount to not less than one-tenth of one per cent of the market value of its capital stock at the time of said assessment as found by the tax commissioner. If the return from any city or town is not received prior to the twentieth day of August, the amount raised by taxation in said city or town for the preceding year, as certified to the secretary of the commonwealth, may be adopted for the purpose of this determination.

[Section 9 of chapter 271 of the Acts of the year 1906, approved April 11, 1906, amends section 40 of chapter 14 of the Revised Laws by making the rate at which all corporations embraced therein, then including railroad corporations and street railway companies, are to be taxed a rate "equal to the average of the annual rates for three years preceding that in which the assessment is laid," the annual rate to be determined, etc.

Section 74 of chapter 437 of the Acts of the year 1903 (business corporation act) is similarly amended.

Upon June 7, 1906, the railroad and street railway codification, which had been prepared some months previously, was approved. This codification re-enacted section 40 of chapter 14 of the Revised Laws as it existed prior to the amendment, and repealed said section 40 so far as it applied to railroad corporations and street railway companies, their officers, agents and employees.

Upon June 22, 1906, the electric railroad act (Acts of the year 1906, chapter 516) was approved. This enactment also contained the provisions of the Revised Laws, chapter 14, section 40, without amendment. These enactments have led to the anomaly that all corporations subject to a tax upon their corporate franchise, save railroad corporations and street railway and electric railroad companies, pay a tax upon their corporate excess at a rate equal to the average of the annual rates for three years preceding that in which the assessment is laid; while railroad corporations, street railway and electric railroad companies pay at the rate for the preceding year. While this distinction is likely to result uniformly in a series of years, its operation the current year by an increase

in force for the past year casts an additional burden upon railroad corporations and street railway and electric railroad companies.

The commission, believing this condition to be the result of an oversight, has adopted in its codification the average of the annual rates for the three years preceding that in which the assessment is laid as the rate at which all corporations subject to a tax upon their corporate franchises are to be taxed.]

ADDITIONAL CORPORATE FRANCHISE TAX.

SECTION 44. If an operating street railway or electric railroad company, including a company whose lines are located partly within and partly without the limits of the commonwealth, whether chartered or organized under the laws of this commonwealth or elsewhere, has paid during the year ending on the thirtieth day of September preceding the date of the return required by section forty dividends exceeding in the aggregate eight per cent upon its capital stock, it shall for every such year, in addition to the tax required by section forty-three, pay a tax equal to the amount of such excess to be determined as therein provided by the tax commissioner; but such additional tax shall not be imposed, if, from the date when the company commenced to operate its railway or railroad, it has not paid dividends equivalent in the aggregate to at least six per cent per annum upon its capital stock from year to year.

SECTION 45. If the value of the works, structures, real estate, machinery, underground conduits, wires and pipes of a corporation subject to local taxation within the commonwealth, as determined by the tax commissioner, is less than the value thereof as determined by the assessors of the place where it is situated, he shall give notice of his determination to such corporation; and, unless within one month after the date of such notice it applies to said assessors for an abatement, and, upon their refusal to grant an abatement, prosecutes an appeal under the provisions of section seventy-six of Part I., giving notice thereof to the tax commissioner, the valuation of said commissioner shall be conclusive upon said corporation.

SECTION 46. When the tax commissioner has received notice of an abatement of the taxes of any corporation as provided in section eighty-four of Part I., he shall assess upon such corporation an additional tax upon the corporate franchise value of such corporation, in such amount as

Additional tax
on street rail-
way and elec-
tric railroad
companies.
1898, 417;
1898, § 3.
R. L. 14, § 41.
1906, 463, Part
III., § 130;
516, § 18.

Remedy of
corporation
when assess-
or's valuation
of real estate
exceeds tax
commis-
sioner's.
1865, 283, § 6.
P. S. 13, § 41.
1898, 417.
R. L. 14, § 42.
1902, 342, § 5.
1903, 437, § 76.
1906, 463, Part
II., § 215, Part
III., § 129;
516, § 19.
137 Mass. 81.
146 Mass. 403.
152 Mass. 384.
167 Mass. 522.

Additional tax
to be assessed
upon corporate
franchise
value, etc.
1904, 442, § 2.

shall make the total franchise tax equal that which would have been assessed by said commissioner had the valuation as established by said abatement been adopted by him when making his original assessment upon the corporate franchise value of such corporation, which said additional tax shall be paid and collected as an addition to the franchise tax next to be assessed and laid upon said corporation after such abatement, and such additional tax, when collected, shall be distributed as if it were part of said original tax.

COMMUTATION TAX.

Returns of
street railway
and electric
railroad com-
panies to
assessors.
1898, 417;
578, § 6.
R. L. 14, § 43.
1906, 463, Part
III., § 133;
516, § 22.
181 Mass. 205.
182 Mass. 41,
49.
184 Mass. 294.
187 Mass. 352.
190 Mass. 123.
196 U. S. 539.

SECTION 47. A street railway or an electric railroad company, including a company whose lines are located partly within and partly without the limits of the commonwealth, whether chartered or organized under the laws of this commonwealth or elsewhere, shall annually, on or before the fifteenth day of October, make and file in the office of the board of assessors of every city and town in which any part of the railway or railroad operated by it is situated a return signed and sworn to by its president and treasurer, stating, in the case of a street railway company, the length of track operated by it in public ways and places in such city or town, and also the total length of track operated by it in public ways and places, and in the case of an electric railroad company stating the length of track operated by it longitudinally upon public ways and places in such city or town, and also the total length of track operated by it, determined as provided in section forty, and also the amount of its gross receipts during the year ending on the preceding thirtieth day of September, including therein all amounts received by it from the operation of its railway or railroad, but excluding income derived from the sale of power, rental of tracks or other sources.

Excise tax.
1898, 417;
578, § 7.
R. L. 14, § 44.
1906, 463, Part
III., § 134;
516, § 23.
181 Mass. 205.
182 Mass. 41,
49.
184 Mass. 294.
187 Mass. 352.
190 Mass. 123.
196 U. S. 539.

SECTION 48. On or before the first day of November annually, the assessors of every city and town in which a street railway or an electric railroad is operated, including a company whose lines are located partly within and partly without the limits of the commonwealth, whether chartered or organized under the laws of this commonwealth or elsewhere, shall assess on each company described in the preceding section operating a railway or

railroad therein an excise tax of an amount equal to such proportion of the following percentages of the gross receipts of such company as, in the case of a street railway company, the length of tracks operated by it in public ways and places of such city or town bears to the total length of tracks operated by it in public ways and places, and in the case of an electric railroad company as the length of tracks operated by it longitudinally in public ways and places of such city or town bears to the total length of tracks operated by it.

The percentages shall be based upon the annual gross receipts for each mile of track as follows, and computed upon the aggregate of said annual gross receipts: four thousand dollars or less, one per cent; more than four thousand dollars and less than seven thousand, two per cent; more than seven thousand dollars and less than fourteen thousand, two and one-quarter per cent; more than fourteen thousand dollars and less than twenty-one thousand, two and one-half per cent; more than twenty-one thousand dollars and less than twenty-eight thousand, two and three-quarters per cent; twenty-eight thousand dollars or more, three per cent.

The excise tax provided by this section shall be in addition to the taxes otherwise provided by law.

SECTION 49. The aldermen of a city, the selectmen of a town, or a street railway or an electric railroad company operating in such city or town may petition the board of railroad commissioners for a revision of the amount of the excise tax to be paid by a company under the provisions of the preceding section. Said board shall, upon such petition, after public notice and a hearing at which said aldermen or selectmen and said company may submit evidence, determine the average annual cost to said city or town of the work done by it during the preceding three years under the provisions of chapter four hundred and sixty-three of the acts of the year nineteen hundred and six, which it was not by law required to do prior to the first day of October in the year eighteen hundred and ninety-eight, and also the average annual payment made by said company to said city or town under and pursuant to the provisions of the preceding section during said three years; and having determined said average annual cost and average annual payments, said

Revision of
tax.
1898, 578, § 8.
R. L. 14, § 45.
1906, 463, Part
III., § 135;
516, § 24.

board shall fix and determine the proportion of a percentage of the gross receipts which shall be paid as an excise tax under the provisions of said section by the company to said city or town annually thereafter, said percentage to be fixed at such a rate as will be necessary to yield to said city or town annually thereafter an amount equal to the average annual cost to said city or town determined as aforesaid; and the percentage so fixed shall not again be changed for the period of three years, and then only in the manner herein provided. Said board may at any time upon petition therefor by a city or town entitled to a part of the excise tax paid by a street railway or an electric railroad company, after such notice as the board may order to all other cities and towns entitled to share in the excise tax paid by said company, and after a hearing, determine as to the distribution thereof among the several cities and towns in which such company operates any part of its railway or railroad, and fix the proportions thereof to which they shall respectively be entitled, which shall thereafter be the proportions of said excise tax to be assessed upon said company, instead of the proportion based upon length of tracks as hereinbefore provided.

Notice to tax collector of amount of excise tax.
1898, 578, § 9.
R. L. 14, § 46.
1906, 463, Part III., § 136;
516, § 25.

SECTION 50. Prior to the fifteenth day of November in each year the assessors of every city and town shall notify the collector of taxes thereof of the amount of excise tax assessed therein under the provisions of section forty-eight, and the collector shall forthwith notify the treasurer of each street railway and electric railroad company of the amount of excise tax so assessed upon it, which shall become due and payable within thirty days after the receipt of such notice. The provisions of Part II. so far as appropriate shall apply to the collection of such excise tax.

Application of taxes.
1898, 578, § 10.
R. L. 14, § 47.
1906, 463, Part III., § 137; 516, § 26.
1907, 318.
181 Mass. 205.
182 Mass. 41, 49.
184 Mass. 294.
190 Mass. 123.

SECTION 51. All taxes which are collected from a street railway or an electric railroad company and paid to a city or town under the provisions of the preceding section, of section sixty-five, and of section twenty-eight of chapter five hundred and seventy-eight of the acts of the year eighteen hundred and ninety-eight, shall be applied in the case of street railway companies toward the repair and maintenance of the public ways and the removal of snow therefrom within such city or town, and in the case

of electric railroad companies shall be applied toward the construction, repair and maintenance of the public ways and places in which the tracks of such company are located, and to the removal of snow from such public ways and places within such cities and towns.

TAXATION OF TELEGRAPH COMPANIES.

SECTION 52. Every corporation or association chartered or organized without the commonwealth which owns, controls or uses a line of telegraph within the commonwealth, shall make the returns required in section forty to be made by telegraph companies within the commonwealth, except the list of its shareholders; and shall annually pay a tax at the rate determined in the manner provided in section forty-three; and all telegraph lines within the commonwealth controlled and used by such corporation or association, shall, for the purposes of this part, be deemed to be a part of its own lines.

Returns and
tax of foreign
telegraph
companies.
1864, 208, § 19.
1865, 283, § 7.
P. S. 13, § 42.
R. L. 14, § 48.
139 Mass. 564.
125 U. S. 530.
141 U. S. 40.
163 U. S. 1.

TAXATION OF THE GUARANTY CAPITAL OF MUTUAL FIRE INSURANCE COMPANIES ORGANIZED UNDER GENERAL LAWS, AND OF SHARES IN THE PERMANENT FUND OF MUTUAL MARINE, AND MUTUAL FIRE AND MARINE, INSURANCE COMPANIES.

SECTION 53. Mutual fire insurance companies with a guaranty capital, mutual marine, and mutual fire and marine, insurance companies with a permanent fund shall, if organized under the general laws, be subject to the provisions of this part imposing a tax upon the franchises of corporations organized for purposes of business or profit having a capital stock divided into shares, relative to the assessment and payment of a tax upon such guaranty capital or permanent fund, and shall make all such returns and payments, and be subject to like penalties, liabilities and forfeitures, and have the same rights of appeal as are required of, imposed upon and given to such corporations in this part.

Guaranty capi-
tal and perma-
nent funds
of certain
mutual in-
surance com-
panies, how
taxed.
1872, 315.
§§ 11, 12.
P. S. 13, § 50.
R. L. 14, § 53.
137 Mass. 80.
139 Mass. 564.

TAXATION OF FOREIGN CORPORATIONS.

SECTION 54. Every foreign corporation shall annually, within thirty days after the date fixed for its annual meeting, or within thirty days after the final adjournment

Annual certi-
ficate of con-
dition.
1891, 341, § 1.
1895, 311, § 1.

R. L. 126, § 13.
1903, 437, § 66.
1905, 233.
188 Mass. 239.

of said meeting, but not more than three months after the date so fixed for said meeting, prepare and file in the office of the secretary of the commonwealth, upon payment of the fee provided in section ninety-one of chapter four hundred and thirty-seven of the acts of the year nineteen hundred and three, a certificate signed and sworn to by its president, treasurer, and by a majority of its board of directors, showing the amount of its authorized capital stock, and its assets and liabilities as of a date not more than ninety days prior to said annual meeting, in such form as is required of domestic business corporations under the provisions of section forty-five of said chapter, and the change or changes, if any, in the other particulars included in the certificate required by section sixty of said chapter, made since the filing of said certificate or of the last annual report.

Approval of
certificate.

1891, 341, § 5.
1897, 492.
R. L. 126, § 14.
1903, 437, § 67.
188 Mass. 239.

SECTION 55. A certificate which is required to be filed by the preceding section shall be accompanied by a written statement under oath by an auditor, as provided in section forty-seven of chapter four hundred and thirty-seven of the Acts of the year nineteen hundred and three, except that such auditor shall in all cases be chosen by the board of directors. Before it is filed it shall be submitted to the tax commissioner, who shall examine said certificate and shall assess upon the corporation an excise tax, if any is due, in accordance with the provisions of the following section. If he finds that the certificate is in compliance with the requirements of the preceding section, he shall indorse his approval thereon; but no certificate shall be filed until he has indorsed his approval thereon, and until the excise tax required by the following section, if any is due, has been paid to the treasurer and receiver general.

[The phrase, "together with the evidences of the payment of any taxes which may have been assessed upon the corporation by any city or town in the commonwealth for the year last preceding," which appears in section 67 of chapter 437 of the Acts of the year 1903, from which this section is taken, has been omitted in the codification.]

The provision allowing a foreign corporation, in the payment of its excise tax, to deduct the amount of all taxes upon property paid by it to any city or town in the Commonwealth during the preceding year, having, by the Acts of the year 1907, chapter 578, been stricken from section 75 of said chapter 437, it has seemed to the commission to be unnecessary to include this portion of the section in its codification.]

SECTION 56. Every foreign corporation shall, in each year, at the time of filing its annual certificate of condition, pay to the treasurer and receiver general, for the use of the commonwealth, an excise tax to be assessed by the tax commissioner of one fiftieth of one per cent of the par value of its authorized capital stock as stated in its annual certificate of condition; but the amount of such excise tax shall not in any one year exceed the sum of two thousand dollars.

Taxation of foreign corporations.
1903, 437, § 75.
1907, 578.
188 Mass. 1, 239.

NOTICE OF TAX.

SECTION 57. The tax commissioner shall annually, as soon as may be after the first Monday of August, give notice to the treasurer of every corporation, company or association, or the secretary or general agent of every life insurance company which is liable to taxation under the provisions of sections twenty-six, thirty-seven, thirty-eight, forty-three, forty-four, fifty-two and fifty-three, of the amount thereof; that it will be due and payable to the treasurer and receiver general within thirty days after the date of such notice, but not before the twentieth day of October; and that within ten days after the date of such notice the corporation, company or association may apply for a correction of said tax, and be heard thereon by the board of appeal.

Notice of tax.
1865, 283, § 11.
1880, 227, § 2.
P. S. 13, §§ 26, 53.
1887, 283, § 1.
1888, 413, § 23.
1898, 417.
R. L. 14, § 54.
1903, 437, § 77.
1906, 271,
§§ 10, 13.
139 Mass. 562.

PENALTIES.

SECTION 58. If a domestic business corporation fails to file its tax return before the tenth day of May of each year, or if a foreign corporation omits to file the certificate as required in section fifty-four, the tax commissioner shall give notice by mail, postage prepaid, to the corporation of its default, directed, in the case of a foreign corporation, to the resident manager, if any, in the United States, or to any other person designated by the corporation, by written notice filed in the office of the commissioner, as provided in section fifty-nine of chapter four hundred and thirty-seven of the acts of the year nineteen hundred and three for notice of the service of legal process, which notice to said foreign corporation shall contain a copy of this section and of sections sixty-five to sixty-eight inclusive of said chapter. If such business or foreign corporation fails to file such return or certificate

Penalties for neglect to make returns, and for false statements.
Recovery thereof.
1862, 224, § 9.
1864, 208, § 14.
1865, 283, § 14.
1873, 141, § 9.
P. S. 13, § 54.
R. L. 14, §§ 55, 58.
1903, 437,
§§ 49, 50, 68,
69, 78.
1906, 346,
§§ 1, 2.
188 Mass. 239.

within thirty days after such notice of default has been given or mailed, it shall forfeit to the commonwealth not less than five nor more than ten dollars for each day for fifteen days after the expiration of the said thirty days, and not less than ten nor more than two hundred dollars for each day thereafter during which such default continues, or any other sum, not greater than the maximum penalty or forfeiture, which the court may deem just and equitable, which, in the case of a foreign corporation, shall be recovered as herein provided.

Penalties and forfeitures incurred by any domestic business or foreign corporation which, being subject to the provisions of this act, omits to cause any certificate or return which may be required by the provisions of sections forty and fifty-four to be duly filed may be recovered in an action brought in the county of Suffolk in the name of the commonwealth, or they may be recovered by an information in equity in the name of the attorney-general at the relation of the tax commissioner, brought in the supreme judicial court in the county of Suffolk. Upon such information, the court may issue an injunction restraining the further prosecution of the business of the corporation named therein until such penalties or forfeitures, with interest and costs, have been paid, and until the returns and certificates required by this act have been filed.

Penalties for
neglect to
make returns,
and for false
statements.
Recovery
thereof.
1862, 224, § 9.
1864, 208, § 14.
1865, 283, § 14.
1873, 141, § 9.
1878, 218, § 3.
1880, 227, § 4.
P. S. 13, §§ 7,
28, 36, 54.
1890, 197, § 2.
1892, 129.
1898, 417.
R. L. 14, § 55.

SECTION 59. A corporation or agent neglecting to make the return required by section twenty-six shall forfeit fifty dollars for every day during which such neglect continues. A corporation, company, association or partnership which fails to make the return required by section thirty-four shall forfeit twenty-five dollars. If it neglects to make such return for ten days after notice thereof, addressed to it, has been deposited in the postoffice, postage prepaid, it shall further forfeit five hundred dollars, and upon information by the attorney general at the relation of the tax commissioner it may be restrained from the further transaction of its business in this commonwealth until it has made such return; but such penalty shall not be incurred if it is proved that the return was duly made and deposited in the postoffice, postage prepaid, properly directed to the tax commissioner, and that there was no neglect. If any return required by sec-

tion thirty-four contains a false statement which is known, or by the exercise of reasonable care might have been known, to the agent or officers making it, to be false, such company or agent shall be liable for the amount of tax thereby lost to the commonwealth, and, in addition, to a penalty of not less than five hundred nor more than five thousand dollars.

Any corporation, company, co-partnership or association, except a domestic business or foreign corporation, liable to taxation under the provisions of sections thirty-seven, thirty-eight, forty-three, forty-four, fifty-two and fifty-three, neglecting to make the returns required by this act, or refusing or neglecting, when required, to submit to the examinations provided for therein, shall forfeit two per cent upon the par value of its capital stock. A guardian, executor, administrator, trustee or partnership neglecting to make the returns required by section eight shall forfeit one hundred dollars. Such penalties may be recovered in an action of tort to be brought by the treasurer and receiver general, in the name of the commonwealth, either in the county of Suffolk or in the county in which the corporation is located.

SECTION 60. Corporations which neglect to pay taxes assessed and certified to the treasurer and receiver general by the tax commissioner shall pay interest at the rate of six per cent per annum from the time when such taxes were payable until they are paid, if such payment is made before the commencement of proceedings for the recovery thereof, and twelve per cent if made after the commencement thereof.

Interest on unpaid taxes.
1900, 398.
1901, 222.
R. L. 14, § 56.
1903, 437, § 79

SECTION 61. If a savings bank, institution for savings, insurance company or agent thereof, or other corporation, company or association fails to pay the tax required by sections twenty-one, twenty-four, twenty-six, twenty-eight to thirty-one inclusive, thirty-five, thirty-seven, thirty-eight, forty, forty-three, fifty-two, fifty-three and fifty-six, to be paid by the commonwealth, the treasurer and receiver general may recover the same in an action of contract brought in the name of the commonwealth.

Action at law to recover unpaid taxes.
1862, 224, § 11.
1864, 208, § 14.
1865, 283, § 14.
1873, 141, § 10.
1876, 59.
1878, 218, § 3.
P. S. 13, §§ 22, 37, 54.
1898, 417.
1900, 398.
R. L. 14, § 57.
1903, 437, § 78.
11 Allen, 283.

123 Mass. 497.

SECTION 62. Penalties incurred by corporations, companies or associations, except domestic business and foreign corporations, for failure to make the returns re-

Collection of penalties and unpaid taxes by information.

1862, 224, § 11.
 1865, 283, § 14.
 1873, 141, § 10.
 1878, 218, § 3.
 1880, 227, § 4.
 P. S. 13, §§ 22,
 28, 36, 54.
 1898, 417.
 1900, 398.
 R. L. 14, § 58.
 1903, 437, § 78.
 99 Mass. 151.
 123 Mass. 496.
 125 U. S. 530.

quired by sections eight, twenty-six, thirty-four, thirty-seven, thirty-eight, forty, fifty-two and fifty-three, may also be collected by an information brought in the supreme judicial court by the attorney general at the relation of the tax commissioner; and taxes under the provisions of sections twenty-one, twenty-four, thirty-eight, forty-three, fifty-two and fifty-three, may also be collected by a like information at the relation of the treasurer and receiver general. The court may issue an injunction upon such information, restraining the further prosecution of the business of such company or corporation until such penalties or taxes, with interest and costs thereon, have been paid, and the returns have been made; and in the case of a domestic business or foreign corporation, taxes which are assessed under the provisions of this act may also be collected by an information brought in the supreme judicial court by the attorney general at the relation of the treasurer and receiver general, and the court may issue an injunction upon such information, restraining the further prosecution of the business of such corporation until such taxes, with interest and costs thereon, have been paid; but no telegraph company accepting the provisions of section five thousand two hundred and sixty-three of the Revised Statutes of the United States shall be enjoined from constructing, maintaining or operating a telegraph line over and along any of the military or post roads of the United States within this commonwealth.

Lessee of corporate property also to be liable for the tax.
 1865, 283, § 16.
 P. S. 13, § 56.
 1898, 417.
 R. L. 14, § 60.
 1903, 437, § 80.

SECTION 63. The lessee of the works, structures, real estate or machinery of any corporation, company or association taxed under the provisions of sections twenty-four, thirty-eight, forty, forty-three, fifty-two and fifty-three shall also be liable for the payment of the tax, and upon such payment may, in the absence of an agreement to the contrary, retain it out of the rent of the property, or recover it in an action against the lessor.

Exemption from local taxation. Apportionment.
 1864, 208, §§ 8, 15.
 1865, 283, § 15.
 1866, 291, § 2.
 P. S. 13, § 57.
 1887, 228.
 1888, 413, § 23.
 1898, 417; 578,
 §§ 4, 26.

SECTION 64. No taxes shall be assessed in a city or town for state, county or town purposes, upon the shares in the capital stock of corporations, companies or associations taxable under the provisions of sections thirty-seven, thirty-eight, forty-three, fifty-two and fifty-three, for any year for which they pay to the treasurer and receiver general a tax on their corporate franchises; or, in the case of safe deposit, loan and trust companies, for any year for

which they pay a tax as provided in section thirty-seven. Such proportion of the tax collected of each corporation, company or association under the provisions of sections thirty-eight and forty-three, except street railway and electric railroad companies, as corresponds to the proportion of its stock owned by persons residing in this commonwealth, shall be distributed, credited and paid to the several cities and towns in which, from the returns or other evidence, it appears that such persons resided on the preceding first day of May, according to the number of shares so held in such cities and towns respectively. Such proportion of the tax paid by safe deposit, loan and trust companies under the provisions of section thirty-seven as corresponds to the amount of property held by them in trust or on deposit, as described in said section, for beneficiaries or depositors resident in this commonwealth, shall be distributed, credited and paid to the several cities and towns in which, from the returns or other evidence, it appears that such beneficiaries and depositors resided on the first day of the preceding May, according to the aggregate amount so held for beneficiaries and depositors residing in such cities and towns respectively. If stock is held by co-partners, guardians, executors, administrators or trustees, the proportion of tax corresponding to the amount of stock so held shall be credited and paid to the cities and towns where the stock would have been taxed under the provisions of clauses four, five, six and seven of section twenty-three and section twenty-seven of Part I. If a city or town owns stock in any corporation taxed upon its corporate franchise under the provisions of this part, a return to said city or town shall be made as if it were owned by persons resident therein. Such proportion of the tax collected of each electric railroad company under the provisions of sections forty-three and forty-four as corresponds to the proportion of its line constructed on private land shall be distributed, credited and paid as above provided. Such proportion of the tax collected from any such electric railroad company under the provisions of sections forty-three and forty-four as corresponds to the proportion of its line located longitudinally upon public ways and places shall be distributed, credited and paid to the several cities and towns in proportion to the length of tracks operated by such company in such cities and towns

1900, 413, § 5.
 1901, 413, § 4.
 R. L. 14, § 61.
 1903, 437, § 86.
 1906, 463, Part
 II., § 216.
 Part III., § 131;
 516, § 20.
 135 Mass. 569.
 139 Mass. 559.
 184 Mass. 460.
 190 Mass. 123.

respectively. The tax collected of each street railway company under the provisions of sections forty-three and forty-four shall be apportioned among the several cities and towns in proportion to the length of tracks operated by such company in said cities and towns respectively. The share of the tax paid by a street railway or an electric railroad company in respect of its tracks upon locations granted by the board of metropolitan park commissioners or by the Wachusett mountain state reservation commission shall be apportioned to the commonwealth, and shall be credited by the treasurer and receiver general to the sinking fund of the loan to which the expenditure for the road, boulevard, park or reservation in which the tracks are located was charged.

Tax commissioner to determine amounts due to cities and towns.
1865, 283, § 15.
P. S. 13, § 58.
1898, 578,
§§ 4, 5.
R. L. 14, § 62.
1903, 437, § 87.

SECTION 65. The tax commissioner shall, subject to appeal to the board of appeal, ascertain and determine the amount due to each city and town under the provisions of the preceding section, notify the treasurer of each city and town thereof and certify the amount as finally determined, to the treasurer and receiver general, who shall thereupon pay over the same. 1906, 463, Part II., § 217, Part III., § 132; 516, § 21.

Corporations liable to taxation to submit books to inspection and officers to examination.
1864, 208, § 16.
1865, 283, § 17.
1880, 227, § 2.
P. S. 13, §§ 26, 59.
1886, 270.
1887, 283, § 1.
1888, 413, § 23.
1898, 417.
R. L. 14, § 63.
1903, 437, § 81.

SECTION 66. Every insurance company liable to taxation under the provisions of section twenty-six, and every corporation, except a foreign corporation, liable to taxation under the provisions of sections twenty-four, thirty-seven, thirty-eight, forty, forty-one, forty-two, forty-three, forty-five, fifty-two and fifty-three, shall, when required, submit its books to the inspection of the tax commissioner, and its treasurer and directors to examination on oath relative to all matters affecting the determinations which are to be made by said commissioner. 98 Mass. 22.

Corporate franchise tax not to affect imposition of other taxes.
1865, 283, § 18.
P. S. 13, § 60.
1898, 417.
R. L. 14, § 64.

SECTION 67. The tax on corporate franchises herein imposed upon any corporation shall not affect nor prevent the imposition and collection of any other tax now authorized, or that may hereafter be authorized, upon any especial privilege, franchise or business enjoyed or exercised by such corporation.

APPEALS AND BOARD OF APPEAL.

Board of appeal; appeals; reimbursement of over-payments.
1865, 283, § 13.
1877, 164.
1880, 227, § 2.

SECTION 68. The treasurer and receiver general, the auditor of accounts and a member of the council to be designated by the governor, shall constitute a board of appeal. Any party aggrieved by a decision of the tax commissioner made under the provisions of section twenty-

four or of sections twenty-six to sixty-five inclusive, and any party aggrieved by any other decision of the tax commissioner upon any matter arising under the provisions of this act from which an appeal is given, may apply to the board of appeal within ten days after notice of his decision. Said board shall hear and decide the subject matter of such appeal and give notice of the decision to the tax commissioner and the appellant; and its decision shall be final and conclusive, although payments have been made as required by the decision appealed from. Any over-payment of tax determined by decision of said board of appeal shall be reimbursed from the treasury of the commonwealth.

P. S. 13, §§ 61, 62.
1898, 417.
R. L. 14, § 65.
1903, 437, § 82.
144 Mass. 598.

WARRANTS FOR COLLECTION AND APPLICATIONS FOR RELIEF.

SECTION 69. When a tax or excise of any kind remains due to or is claimed by the commonwealth from a corporation, company or association, whether existing by authority of this commonwealth or otherwise, except a municipal corporation, for ten days after notice given through the mail by the treasurer and receiver general to its treasurer or other financial agent that such tax or excise is due and unpaid, the treasurer and receiver general may, in addition to other modes of relief, issue his warrant, directed to the sheriff or his deputies of the county in which such corporation, company or association has its place of business, commanding the collection of such tax or excise. Such warrant may be substantially in the form of and served in the same manner as those issued by the assessors of towns. Such warrant shall not run against the body of any person, nor shall any property of such delinquent corporation, company or association be exempt from seizure and sale thereon. The officer having such warrant shall collect such tax or excise, and interest upon the same at the rate of twelve per cent per annum from the time when such tax or excise became due, and may collect and receive for his fees the sum which an officer would be entitled by law to receive upon an execution for a like amount. He shall also collect one dollar for the warrant, which shall be paid over to the treasurer and receiver general.

Collection of
tax by war-
rant,
1867, 52,
§§ 1, 4.
1881, 155.
P. S. 13,
§§ 63, 66.
1898, 417.
1900, 398.
1901, 222.
R. L. 14, § 66.
1903, 437, § 83.
123 Mass. 497.

[This section (originally section 66 of chapter 14 of the Revised Laws), which seems to embrace every variety of corporation except a municipal corporation, was repealed by section

95 of chapter 437 of the Acts of the year 1903, so far as it applied to corporations subject to the provisions of that chapter, and was re-enacted therein as section 83, applicable, however, only to domestic business corporations. This left a foreign corporation free from this method of enforcing the collection of taxes or excises imposed upon it. In the re-enacted section the warrant issued by the Treasurer and Receiver-General was to be directed to the sheriff or his deputies of the county in which the principal office of the corporation was located. No reason can be assigned that foreign corporations should not also fall within the provisions of this section, nor can it be readily seen why the warrant should be confined to the county in which the principal office of the corporation was located, rather than to the county in which such corporation had a place of business, as provided for in the repealed section. To make uniform, therefore, the provisions of law, the commission has adopted the wording of the original section, 66.]

Validity of tax
may be deter-
mined by
supreme judi-
cial court on
petition.
1867, 52, §§ 2, 4.
1881, 155.
P. S. 13, §§ 64,
66.
1898, 417.
R. L. 14, § 67.
1903, 437, § 84.
1906, 349.
99 Mass. 146.
123 Mass. 497.
137 Mass. 80.
144 Mass. 66,
598.
149 Mass. 1.
157 Mass. 68.

SECTION 70. Any corporation or association aggrieved by the exaction of said tax or excise or of any portion thereof may, within six months after the payment of the same, whether such payment be after or before the issue of the warrant mentioned in the preceding section, apply by petition to the supreme judicial court, setting forth the amount of the tax or excise and costs thereon so paid, the general legal grounds and the specific grounds in fact, if any, upon which it is claimed such tax or excise should not have been exacted. Said petition shall be the exclusive remedy and shall be entered and heard in the county of Suffolk. A copy of the same shall be served upon the treasurer and receiver general and upon the attorney-general. The proceedings upon such petition shall conform, as nearly as may be, to proceedings in equity, and an abatement shall be made of only such portion of the tax or excise as was assessed without authority of law. In case said tax or excise has heretofore been exacted or is hereafter exacted in consequence of any law or statute of any other state of the United States, then the application above provided for may be made at any time within six years after the exaction of said tax or excise or any portion thereof.

Reimburse-
ment of tax if
illegally
exactd.
1867, 52, § 3.
1881, 155.
P. S. 13, § 65.
1898, 417.
R. L. 14, § 68.
1903, 437, § 85.

SECTION 71. If the court, upon a hearing or trial, adjudges that said tax or excise, and the costs thereon, have been illegally exacted, a copy of the judgment or decree shall be transmitted by the clerk of the court to the auditor, who shall thereupon audit and certify the amount adjudged to have been illegally exacted, with interest, and costs to

be taxed by the clerk of the court in the same manner as other claims against the commonwealth, and the treasurer and receiver general shall pay the same, without any further act or resolve making appropriation therefor. So much thereof as has been paid from the treasury of the commonwealth to any city or town may be deducted from and set off against any sum afterwards payable to such city or town.

EXPRESS COMPANIES.

SECTION 72. Every person, company, partnership or association doing an express business on any railroad, railway, steamboat or vessel in the commonwealth, shall annually, between the first and tenth days of May, make a return to the tax commissioner, under oath, stating the name of the person, company, partnership or association, and setting forth as of the first day of May in the year in which the return is made:—

Taxation of express companies, annual return to tax commissioner. 1907, 586, § 1.

First. The total amount of the outstanding capital of the person, company, partnership or association; the classes of stock, if any, into which it is divided; the par value and number of the shares; the market value of its shares and of each class thereof, if there are two or more classes.

Second. The amount and par and market value of all bonds issued by such person, company, partnership or association, together with the amount of the unfunded debt, if any, and such analysis as the tax commissioner may require of the purposes for which said unfunded debt was incurred.

Third. A statement in such detail as the tax commissioner may require of the real estate, machinery, merchandise and other property belonging to the person, company, partnership or association, together with the location and value thereof and the amount of taxes paid thereon to the various cities and towns in the commonwealth for the twelve months preceding said first day of May. Such return shall be filed with the tax commissioner, and shall be open only to the inspection of the tax commissioner, his clerks and assistants, and such other officers of the commonwealth as may have occasion to inspect it for the purpose of assessing or of collecting taxes.

SECTION 73. If such person, company, partnership or association fails to file said return before the tenth day of

Notice of failure to make return.

Penalty.
1907, 586, § 2.

May of each year, the tax commissioner shall give notice by mail, postage prepaid, to such person, company, partnership or association of the default. If the return is not filed within thirty days after such notice of default has been given, the party in default shall forfeit to the commonwealth not less than five nor more than ten dollars for each day for fifteen days after the expiration of the said thirty days, and not less than ten nor more than two hundred dollars for each day thereafter during which such default continues.

Forfeitures,
how recovered.
1907, 586, § 3.

SECTION 74. Penalties or forfeitures incurred by failure to comply with the provisions of the preceding sections may be recovered in an action brought in the county of Suffolk in the name of the commonwealth, or may be recovered by an information in equity in the name of the attorney-general, at the relation of the tax commissioner, brought in the supreme judicial court in the county of Suffolk. Upon such information, the court may issue an injunction restraining the further prosecution of the business of the person, company, partnership or association named therein until such penalties or forfeitures, with interest and costs, have been paid, and until the return required by section seventy-two has been filed.

Tax commis-
sioner to esti-
mate value of
capital.
1907, 586, § 4.

SECTION 75. The tax commissioner shall ascertain from the returns or otherwise the true market value of the shares and bonds of every such person, company, partnership or association, and such part of the unfunded debt as he may determine to have been incurred for the purposes of construction or permanent equipment or improvement, and shall estimate therefrom the fair cash value of all the said shares, bonds and unfunded debt as herein specified, constituting its capital on the preceding first day of May.

Excise tax,
how levied.
1907, 586, § 5.

SECTION 76. The tax commissioner shall thereupon in each year levy an excise tax upon every such person, company, partnership or association, upon the fair cash value of such proportion of his or its capital, bonds and unfunded debt determined as above, after deducting therefrom the value of the real estate, machinery, merchandise and other property belonging to the person, company, partnership, or association, within the commonwealth and subject to taxation in the various cities and towns thereof, together with the value of securities owned by him or it and not

liable to local taxation, as the gross earnings of the said person, company, partnership or association within the state, bear to his or its total gross earnings, at a rate equal to the average of the annual rates for the three years preceding that in which the assessment is made, the annual rate to be determined by an apportionment of the whole amount of money to be raised by taxation upon property in the commonwealth during the same year as returned by the assessors of the several cities and towns under the provisions of section ninety-three of Part I., after deducting therefrom the tax assessed upon polls for the preceding year, as certified to the secretary of the commonwealth, upon the aggregate valuation of all cities and towns for the preceding year as returned under sections fifty-nine and sixty of Part I.

For the purposes of this section the tax commissioner may take the value at which the real estate, machinery, merchandise and other property are assessed at the place where they are located as the true value, but such local assessment shall not be conclusive of the true value thereof. The tax commissioner may require the person, company, partnership or association to prosecute an appeal from the valuation of the real estate, machinery, merchandise or other property by the assessors of the city or town either to the county commissioners or to the superior court, whose decision shall be conclusive upon the question of value. Upon such appeal the tax commissioner may be heard, and in the superior court costs may be awarded as justice requires.

SECTION 77. The tax commissioner shall annually, as soon as may be after the first Monday of August, give notice to every such person and to the treasurer of every such company, partnership or association which is liable to taxation under the provisions of the preceding section of the amount thereof; that it will be due and payable to the treasurer and receiver general within thirty days after the date of such notice, but not before the twentieth day of October; and that, within ten days after the date of such notice, the person, company, partnership or association may apply for a correction of said tax and be heard thereon by the board of appeal authorized by the provisions of section sixty-eight of this part.

Notice to be
given of
amount of tax.
1907, 586, § 6.

Assessors to
make return to
tax commis-
sioner.
1907, 586, § 6.

SECTION 78. Assessors shall annually on or before the first Monday in August return to the tax commissioner a list of the real estate, merchandise and other property of the persons, concerns or companies doing an express business as aforesaid, and in such form and detail as the tax commissioner may require, with the value thereof on the first day of May preceding and the amount at which the same are assessed in said city or town for the year then current. If the assessors neglect to comply with the requirements of this section, each assessor so neglecting shall forfeit one hundred dollars.

PART IV.

TAXATION OF LEGACIES AND SUCCESSIONS.

SECTION 1. All property within the jurisdiction of the commonwealth, corporeal or incorporeal, and any interest therein, whether belonging to inhabitants of the commonwealth or not, which shall pass by will, or by the laws regulating intestate succession, or by deed, grant, or gift, except in cases of a bona fide purchase for full consideration in money or money's worth, made or intended to take effect in possession or enjoyment after the death of the grantor, to any person, absolutely or in trust, except to or for the use of charitable, educational or religious societies or institutions, the property of which is by law exempt from taxation, or for or upon trust for any charitable purposes, or to or for the use of a city or town for public purposes, or to or for the use of (class A) the husband, wife, lineal ancestor, lineal descendant, adopted child, the lineal descendant of any adopted child, the wife or widow of a son, or the husband of a daughter, of a decedent, or to or for the use of (class B) the brother, sister, nephew or niece of a decedent, shall be subject to a tax of five per cent of its value for the use of the commonwealth; and such property which shall so pass to or for the use of a member of class A shall be subject to a tax of one per cent of its value for the use of the commonwealth if such value does not exceed fifty thousand dollars, to a tax of one and one half per cent if its value exceeds fifty thousand and does not exceed one hundred thousand dollars, and to a tax of two per cent if its value exceeds one hundred thousand dollars; and such property which shall so pass to or for the use of a member of class B shall be subject to a tax of three per cent of its value for the use of the commonwealth if such value does not exceed twenty-five thousand dollars, to a tax of four per cent if its value exceeds twenty-five thousand and does not exceed one hundred thousand dollars, and to a tax

Taxation of legacies and successions. Exemptions. 1891, 425, § 1. 1895, 307. 1896, 108. 1901, 297. R. L. 15, § 1. 1905, 470. 1906, 436. 1907, 563, § 1. 162 Mass. 113. 164 Mass. 79. 171 Mass. 410, 595. 173 Mass. 205, 375. 174 Mass. 144, 266. 175 Mass. 59. 176 Mass. 190. 178 Mass. 95. 179 Mass. 546. 180 Mass. 545. 185 Mass. 310. 178 U. S. 41, 115. [1 Op. A. G. 75, 76, 288.]

of five per cent if its value exceeds one hundred thousand dollars; and administrators, executors and trustees, and any grantees under such conveyance made during the grantor's life, shall be liable for such taxes, with interest, until the same have been paid; but no bequest, devise or distributive share of an estate which shall so pass to or for the use of a husband, wife, father, mother, child or adopted child of the deceased, unless its value exceeds ten thousand dollars, and no other bequest, devise or distributive share of an estate unless its value exceeds one thousand dollars, shall be subject to the provisions of this part; but no tax shall be exacted upon property so passing which shall reduce its value below the amount of the above exemptions.

Concerning
certain personal estate
passing in
succession.
1907, 563, § 2.

SECTION 2. When the personal estate so passing from any person not an inhabitant of this commonwealth shall consist in whole or in part of shares in any railroad or street railway company or telegraph or telephone company incorporated under the laws of this commonwealth and also of some other state or country, so much only of each share as is proportional to the part of such company's line lying within this commonwealth shall be considered as property of such person within the jurisdiction of the commonwealth for the purposes of this part.

Property of a
resident not
subject to
taxation in
certain cases.
1907, 563, § 3.

SECTION 3. Property of a resident of the commonwealth which is not therein at the time of his death shall not be taxable under the provisions of this part if legally subject in another state or country to a tax of like character and amount to that hereby imposed, and if such tax be actually paid or guaranteed or secured in accordance with law in such other state or country; if legally subject in another state or country to a tax of like character but of less amount than that hereby imposed and such tax be actually paid or guaranteed or secured as aforesaid, such property shall be taxable under this part to the extent of the difference between the tax thus actually paid, guaranteed or secured, and the amount for which such property would otherwise be liable hereunder. Property of a non-resident decedent which is within the jurisdiction of the commonwealth at the time of his death, if subject to a tax of like character with that imposed by this part by the law of the state or country of his residence, shall be subject only to such portion of the tax hereby imposed as

may be in excess of such tax imposed by the laws of such state or country: *provided*, that a like exemption is made by the laws of such other state or country in favor of estates of citizens of this commonwealth, but no such exemption shall be allowed until such tax provided for by the law of such other state or country shall be actually paid, guaranteed, or secured in accordance with law.

SECTION 4. Except as hereinafter provided, taxes imposed by the provisions of this part shall be payable to the treasurer and receiver general by the executors, administrators or trustees at the expiration of two years after the date of their giving bond; but if legacies or distributive shares are paid within the two years, the taxes thereon shall be payable at the same time. If the probate court, acting under the provisions of section thirteen of chapter one hundred and forty-one of the Revised Laws has ordered the executor or administrator to retain funds to satisfy a claim of a creditor, the payment of the tax may be suspended by the court to await the disposition of such claim. In all cases where there shall be a grant, devise, descent, or bequest to take effect in possession or come into actual enjoyment after the expiration of one or more life estates or a term of years, the taxes thereon shall be payable by the executors, administrators or trustees in office when such right of possession accrues, or, if there is no such executor, administrator or trustee, by the person or persons so entitled thereto, at the expiration of one year after the date when the right of possession accrues to the person or persons so entitled. If the taxes are not paid when due, interest shall be charged and collected from the time the same became payable. Property of which a decedent died seized or possessed, subject to taxes as aforesaid, in whatever form of investment it may happen to be, and all property acquired in substitution therefor, shall be charged with a lien for all taxes and interest thereon which are or may become due on such property; but said lien shall not affect any personal property after the same has been sold or disposed of for value by the executors, administrators or trustees. The lien charged by this part upon any real estate or separate parcel thereof may be discharged by the payment of all taxes due and to become due upon said real estate or separate parcel, or by an order or decree of the probate court discharging said

Taxes, when payable.
1891, 425,
§§ 2, 4.
1895, 430, § 1.
R. L. 15,
§§ 2, 4.
1902, 473.
1903, 276.
1907, 563, § 4.
149 Mass. 92.
162 Mass. 113.
185 Mass. 439.
189 Mass. 104.
[1 Op. A. G.
76.]

Remainders,
liens, etc.,

lien and securing the payment to the commonwealth of the tax due or to become due by bond or deposit as hereinafter provided, or by transferring such lien to other real estate owned by the owner or owners of said real estate or separate parcel thereof.

Deposit in lieu
of tax,
1907, 563, § 5.

SECTION 5. In every case where there shall be a bequest or grant of personal estate made or intended to take effect in possession or enjoyment after the death of the grantor, to take effect in possession or come into actual enjoyment after the expiration of one or more life estates or a term of years, whether conditioned upon the happening of a contingency or dependent upon the exercise of a discretion, or subject to a power of appointment or otherwise, the executor or administrator or grantee may deposit with the treasurer and receiver general a sum of money sufficient in the opinion of the tax commissioner to pay all taxes which may become due upon such bequest or grant, and the person or persons having the right to the use or income of such personal estate shall be entitled to receive from the commonwealth interest at the rate of two and one half per cent per annum upon such deposit, and when said tax shall become due the treasurer and receiver general shall repay to the persons entitled thereto the difference between the tax certified and the amount deposited; or any executor, administrator, trustee or grantee, or any person interested in such bequest or grant may give bond to a judge of the probate court having jurisdiction of the estate of the decedent, in such amount and with such sureties as said court may approve, with the condition that the obligor shall notify the tax commissioner when said tax becomes due and shall then pay the same to the treasurer and receiver general.

Tax to be
assessed upon
actual value,
1891, 425, § 13.
R. L. 15, § 16.
1902, 473.
1903, 276.
1905, 367.
1907, 563, § 6.
179 Mass. 546.

SECTION 6. Except as hereinafter provided, said tax shall be assessed upon the actual value of the property at the time of the death of the decedent. In every case where there shall be a devise, descent, bequest or grant to take effect in possession or enjoyment after the expiration of one or more life estates or a term of years, the tax shall be assessed on the actual value of the property or the interest of the beneficiary therein at the time when he becomes entitled to the same in possession or enjoyment. The value of an annuity or a life interest in any such property, or any interest therein less than an absolute interest, shall

be determined by the "Actuaries' Combined Experience Tables" at four per cent compound interest.

SECTION 7. Any person or persons entitled to a future interest or to future interests in any property may pay the tax on account of the same at any time before such tax would be due in accordance with the provisions hereinbefore contained, and in such cases the tax shall be assessed upon the actual value of the interest at the time of the payment of the tax, and such value shall be determined by the tax commissioner as hereinafter provided. In every case in which it is impossible to compute the present value of the future interest the tax commissioner may, with the approval of the attorney-general, effect such settlement of the tax as he shall deem to be for the best interests of the commonwealth, and payment of the sum so agreed upon shall be a full satisfaction of such tax.

SECTION 8. If a testator gives, bequeaths or devises to his executors or trustees any property otherwise liable to said tax, in lieu of their compensation, the value thereof in excess of reasonable compensation as determined by the probate court upon the application of any interested party or of the tax commissioner, shall nevertheless be subject to the provisions of this part.

SECTION 9. An executor, administrator or trustee holding property subject to said tax shall deduct the tax therefrom or collect it from the legatee or person entitled to said property; and he shall not deliver property or a specific legacy subject to said tax until he has collected the tax thereon. An executor or administrator shall collect taxes due upon land which is subject to tax under the provisions hereof from the heirs or devisees entitled thereto, and he may be authorized to sell said land, according to the provisions of section twelve, if they refuse or neglect to pay said tax.

SECTION 10. If a legacy subject to said tax is charged upon or payable out of real estate, the heir or devisee, before paying it, shall deduct said tax therefrom and pay it to the executor, administrator or trustee, and the tax shall remain a lien upon said real estate until it is paid. Payment thereof may be enforced by the executor, administrator or trustee in the same manner as the payment of the legacy itself could be enforced.

Persons entitled to a future interest may pay the tax on account of the same.
1902, 473.
1903, 251, 276.
1904, 421.
1907, 563, § 7.

Property bequeathed to an executor in lieu of compensation.
1891, 425, § 3.
R. L. 15, § 3.
1907, 563, § 8.

Executor holding property subject to tax shall deduct the tax or collect it from the legatee.
1891, 425, § 5.
1901, 277.
R. L. 15, § 5.
1907, 563, § 9.
[1 Op. A. G. 30.]

Deduction of tax from legacy.
1891, 425, § 6.
R. L. 15, § 6.
1907, 563, § 10.

No tax charge-
able upon
legacy.
in certain
cases.
1907, 563, § 11.

Sale of real
estate for pay-
ment of tax.
1891, 425, § 8.
R. L. 15, § 8.
1907, 563, § 12.

Inventory.
Penalty.
1891, 425, § 9.
1895, 430, § 2.
R. L. 15, § 9.
1907, 563, § 13.
[1 Op. A. G.
30, 40, 52.]
178 Mass. 95.

Inventory,
etc., to be
recorded.
1891, 425, § 10.
R. L. 15, § 10.
1907, 563, § 14.

In cases of
assignment or
transfer of
stock the tax
shall be paid to
the treasurer
and receiver
general, etc.
1900, 371, § 1.
R. L. 15, § 12.
1907, 563, § 15.
173 Mass. 205.

SECTION 11. When provision is made by any will or other instrument for payment of the legacy or succession tax upon any gift thereby made out of any property other than that so given, no tax shall be chargeable upon any money to be applied in payment of such tax.

SECTION 12. The probate court may authorize executors, administrators and trustees to sell the real estate of a decedent for the payment of said tax in the same manner as it may authorize them to sell real estate for the payment of debts.

SECTION 13. An inventory and appraisal under oath of every estate shall be filed in the probate court or with the tax commissioner by the executor, administrator or trustee within three months after his appointment. If he neglects or refuses to file such inventory and appraisal he shall be liable to a penalty of not more than one thousand dollars, which shall be recovered by the tax commissioner for the use of the commonwealth, and the register of probate shall notify the tax commissioner within thirty days after the expiration of said three months of the failure of any executor, administrator or trustee to file an inventory and appraisal in his office.

SECTION 14. The register of probate shall record the inventory and appraisal of every estate which is filed in his office, and he shall, within thirty days after the same has been filed, send by mail to the tax commissioner such inventory and appraisal or a copy thereof. The register shall also, within the same period, send by mail to the tax commissioner a copy of the will of the decedent, if such has been allowed by the probate court. The register shall also furnish such copies of papers in his office as the tax commissioner shall require, and shall furnish information as to the records and files in his office in such form as the tax commissioner may require. A refusal or neglect by the register so to send such inventory and appraisal or copy thereof, or to furnish such copies or information, shall be a breach of his official bond.

SECTION 15. If a foreign executor, administrator or trustee assigns or transfers any stock in any national bank located in this commonwealth or in any corporation organized under the laws of this commonwealth, owned by a deceased non-resident at the date of his death and liable to a tax under the provisions of this part, the tax shall be paid to the treasurer and receiver general at the time

of such assignment or transfer; and if it is not paid when due, such executor, administrator or trustee shall be personally liable therefor until it is paid. A bank located in this commonwealth or a corporation organized under the laws of this commonwealth which shall record a transfer of any share of its stock made by a foreign executor, administrator or trustee, or issue a new certificate for a share of its stock at the instance of a foreign executor, administrator or trustee, before all taxes imposed thereon by the provisions of this part have been paid, shall be liable for such tax in an action of contract brought by the treasurer and receiver general.

SECTION 16. Securities or assets belonging to the estate of a deceased non-resident shall not be delivered or transferred to a foreign executor, administrator or legal representative of said decedent, unless such executor, administrator or legal representative has been licensed to receive such securities or assets under the provisions of section three of chapter one hundred and forty-eight of the Revised Laws, without serving notice upon the tax commissioner of the time and place of such intended delivery or transfer, seven days at least before the time of such delivery or transfer, but the notice required by section three of said chapter one hundred and forty-eight to be given to the treasurer and receiver general shall be given to the tax commissioner in regard to all property subject to the provisions of this part, instead of being given to the treasurer and receiver general. The tax commissioner, either personally or by representative, may examine such securities or assets at the time of such delivery or transfer. Failure to serve such notice or to allow such examination shall render the person or corporation making the delivery or transfer liable, in an action of contract brought by the treasurer and receiver general, to the payment of the tax due upon said securities or assets.

SECTION 17. The tax commissioner shall be made a party to all petitions by foreign executors, administrators or trustees brought under the provisions of section three of chapter one hundred and forty-eight of the Revised Laws, and no decree shall be made upon any such petition unless it appears that notice of such petition has been served on the tax commissioner fourteen days at least before the return of such petition.

Notice to
treasurer and
receiver gen-
eral before
transfer of
securities.
1900, 371, § 2.
R. L. 15, § 13.
1907, 563, § 16.

The tax com-
missioner to be
a party to pe-
titions by
foreign ex-
ecutors, etc.
1900, 371, § 3.
R. L. 15, § 14.
1907, 563, § 17.

Tax may be refunded in certain cases.
1891, 425, § 12.
1892, 379.
R. L. 15, § 15.
1907, 563, § 18.

Valuation.
Appraisal.
1891, 425, § 13.
R. L. 15, § 16.
1905, 367.
1907, 563, § 19.
179 Mass. 546.

Tax commissioner shall certify amount of tax due to the treasurer and receiver general.
1907, 563, § 20.

SECTION 18. If a person who has paid such tax afterward refunds a portion of the property on which it was paid, or if it is judicially determined that the whole or any part of such tax ought not to have been paid, such tax, or the due proportion thereof, shall be repaid to him by the executor, administrator or trustee.

SECTION 19. The value of the property upon which the tax is computed shall be determined by the tax commissioner and notified by him to the person or persons by whom the tax is payable, and such determination shall be final unless the value so determined shall be reduced by proceedings as herein provided. At any time within three months after such determination the probate court shall, upon the application of any party interested in the succession, or of the executor, administrator or trustee, appoint one disinterested appraiser or three disinterested appraisers, who, first being sworn, shall appraise such property at its actual market value, as of the day of the death of the decedent and shall make return thereof to said court. Such return, when accepted by said court, shall be final: *provided*, that any party aggrieved by such appraisal shall have an appeal upon matters of law. One half of the fees of said appraisers, as determined by the judge of said court, shall be paid by the treasurer and receiver general, and one half of said fees shall be paid by the other party or parties to said proceeding.

SECTION 20. The tax commissioner shall determine the amount of tax due and payable upon any estate or upon any part thereof, and shall certify the amount so due and payable to the treasurer and receiver general and to the person or persons by whom the tax is payable; but in the determination of the amount of any tax said tax commissioner shall not be required to consider any payments on account of debts or expenses of administration which have not been allowed by the probate court having jurisdiction of said estate. Payment of the amount so certified shall be a discharge of the tax. An executor, administrator, trustee or grantee who is aggrieved by any determination of the tax commissioner may, within one year after the payment of any tax to the treasurer and receiver general, apply by a petition in equity to the probate court having jurisdiction of the estate of the decedent for the abatement of said tax or any part thereof, and if the court

adjudges that said tax or any part thereof was wrongly exacted it shall order an abatement of such portion of said tax as was assessed without authority of law. Upon a final decision ordering an abatement of any portion of said tax, the treasurer and receiver general shall pay the amount adjudged to have been illegally exacted, with interest, without any further act or resolve making appropriation therefor.

SECTION 21. The probate court having jurisdiction of the settlement of the estate of the decedent shall, subject to appeal as in other cases, hear and determine all questions relative to said tax, and the treasurer and receiver general shall represent the commonwealth in any such proceedings. If the court shall find that any tax remains due, it shall order the executor, administrator or trustee to pay the same, with interest and costs; and execution shall be awarded against the goods and estate of the deceased in the hands of the executor, administrator or trustee, or, if it appears that there are no such goods or estate in his hands, against the goods and estate of the executor, administrator or trustee, as if for his own debt; but the administrators, executors, trustees, and grantees hereinbefore mentioned shall be personally liable only for such taxes as shall be payable while they continue in the said offices or have title as such grantees respectively.

SECTION 22. If, upon the decease of a person leaving an estate liable to a tax under the provisions of this part, a will disposing of such estate is not offered for probate, or an application for administration made within four months after such decease, the probate court, upon application by the tax commissioner, shall appoint an administrator, if it then appears that there is no will in existence.

SECTION 23. No final account of an executor, administrator or trustee shall be allowed by the probate court unless such account shows, and the judge of said court finds, that all taxes imposed by the provisions of this part upon any property or interest therein belonging to the estate to be settled by said account and already payable, have been paid, and that all taxes which may become due on said estate have been paid or settled as hereinbefore provided, or that the payment thereof to the commonwealth is secured by bond or deposit or by lien on real estate. The certificate of the tax commissioner and the

The probate court to hear and determine all questions, etc.
1891, 425, § 14.
R. L. 15, § 17.
1903, 248.
1907, 563, § 21.
[1 Op. A. G. 85.]
164 Mass. 79.
171 Mass. 595.
179 Mass. 546.
189 Mass. 104.

Application by tax commissioner for administration.
1891, 425, § 15.
R. L. 15, § 18.
1907, 563, § 22.

Payment of tax requisite to allowance of accounts.
1891, 425, § 16.
R. L. 15, § 19.
1907, 563, § 23.
179 Mass. 546.
189 Mass. 104.

receipt of the treasurer and receiver general for the amount of the tax therein certified shall be conclusive as to the payment of the tax, to the extent of said certification.

SECTION 24. The treasurer and receiver general shall commence proceedings for the recovery of any of said taxes within six months after the same become payable; and also whenever the judge of a probate court certifies to him that the final account of an executor, administrator or trustee has been filed in such court, and that the settlement of the estate is delayed because of the non-payment of said tax. The probate court shall so certify upon the application of any heir, legatee or other person interested therein, and may extend the time of payment of said tax whenever the circumstances of the case require.

The treasurer and receiver general to commence proceedings for the recovery of unpaid taxes, etc.

1891, 425, § 18.

R. L. 15, § 20.

1907, 563, § 24.

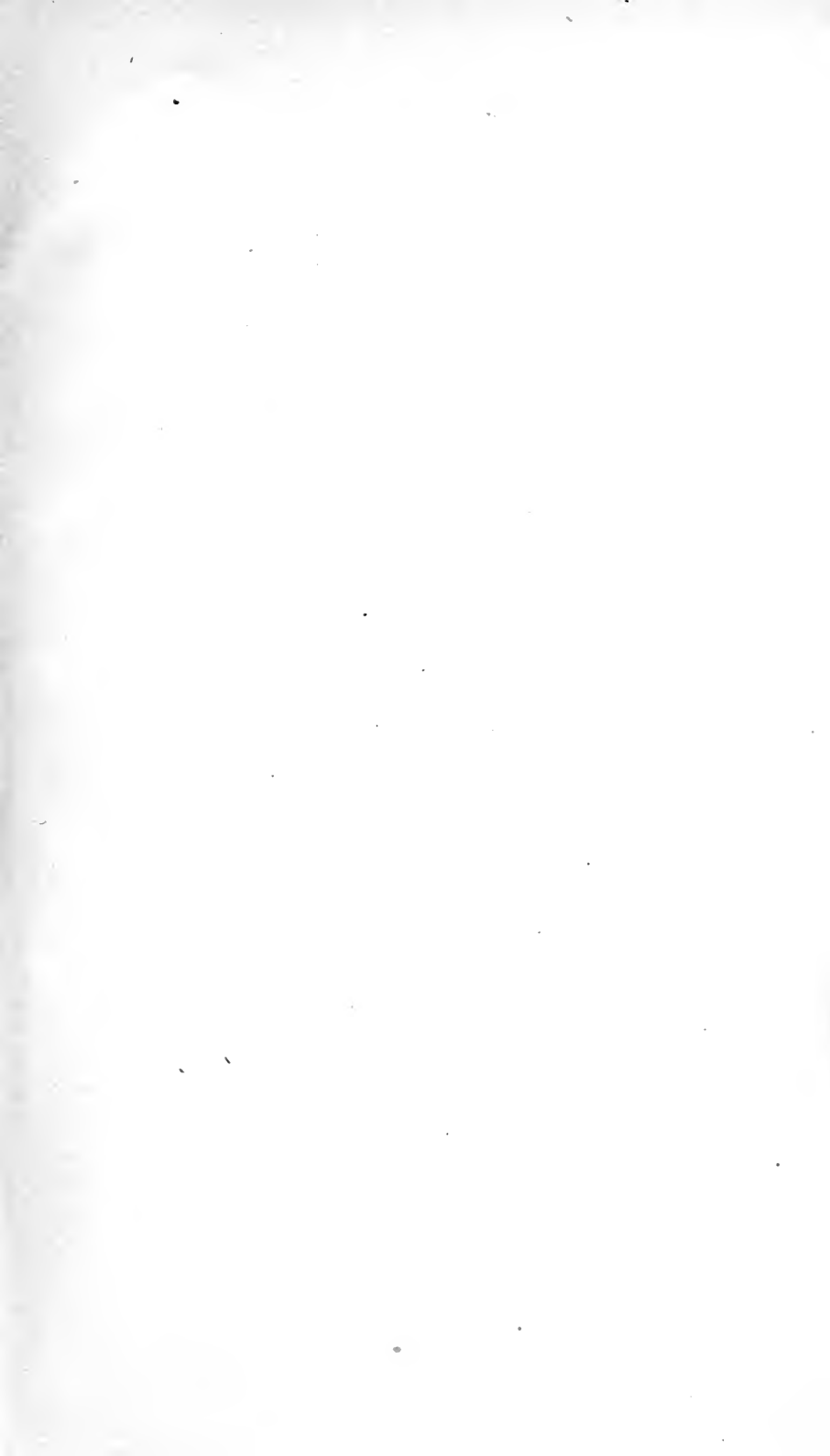
179 Mass. 546.

189 Mass. 104.

[1 Op. A. G.

268.]





THIS BOOK IS DUE ON THE LAST DATE
STAMPED BELOW

AN INITIAL FINE OF 25 CENTS
WILL BE ASSESSED FOR FAILURE TO RETURN
THIS BOOK ON THE DATE DUE. THE PENALTY
WILL INCREASE TO 50 CENTS ON THE FOURTH
DAY AND TO \$1.00 ON THE SEVENTH DAY
OVERDUE.

JAN 3 1933

LD 21-50m-8, '32

HJ2413

-A7

1908

185225

9/11/08

